

July | 2019

www.mgretailer.com

RETAILING | BUSINESS | BRANDING

mg

For The Cannabis
PROFESSIONAL

**Retailing
Prairie
Records**

**Technology
Improving
the customer
experience**

**Profile
Dr. Raphael
Mechoulam**

Summer & Cannabis

Health and Wellness Issue



IONIC[®] BLACK

INDICA

CANNABIS OIL
CARTRIDGE

HYBRID

OIL
GE

FOCUS

CANNA
CART

IONIC[®] BLACK

RELAX

INDICA

CANNABIS OIL
CARTRIDGE

IONIC[®] BLACK

SOCIAL

HYBRID

CANNABIS OIL
CARTRIDGE

IONIC[®] BLACK

RELAX

INDICA

CANNABIS OIL
CARTRIDGE

IONIC[®] BLACK

SOCIAL

HYBRID

CANNABIS OIL
CARTRIDGE

IC[®] BLACK

IONIC[®] BLACK

RELAX

INDICA

CANNABIS OIL
CARTRIDGE

IONIC[®] BLACK

IONIC[®] BLACK

SOCIAL

HYBRID

CANNABIS OIL



HANDCRAFTED IN
SMALL BATCHES

IONIC[®] BLACK

Enjoy Ionic Responsibly

©2019 IONIC INC. LOS ANGELES, CA. ALL RIGHTS RESERVED.

ionic.social



KushyPunch

GUMMIES MADE FROM FULL SPECTRUM OIL

FEEL THE ENTOURAGE AFFECT



CANNABIS GUMMY FORMULA

order@kushypunch.com | www.kushypunch.com | 858-984-1771



AVAILABLE IN READY-TO-USE VAPE PENS, ULTRA-PREMIUM CARTRIDGES, AND RECHARGEABLE MODELS

CALM

CRUISE

CREATE

CONNECT



WRITE YOUR STORY

Designed for those seeking to unlock the moment, the sleek Stylus™ series transforms the disposable pen into a timeless accessory. Using natural terpenes, no artificial additives, and essential oils from our ultra-premium cannabis flower, Stylus delivers Canndescent's five signature effects, so you can write your story.

CHOOSE YOUR EFFECT.
WRITE YOUR STORY.



CANDESCENT™

CALIFORNIA

AVAILABLE EVERYWHERE FINE CANNABIS IS SOLD

WWW.CANDESCENT.COM



CHARGE

32

REPORT

**Health
& Wellness**

As more consumers seek natural health-and-wellness solutions, the sector is exploding. Get ahead of trends to ensure your business thrives.

10 | News Briefing

Headlines and highlights, in case you missed them.

20 | Opinion

Randall Huft reflects on snake oil and clickbait.

22 | Retailing

Trulieve demonstrates maintaining brand identity across a chain of twenty-five dispensaries is challenging, but not impossible.

52 | Business Profile

The **International Cannabis Bar Association** is a valuable resource for businesses working within a highly regulated industry.

56 | Guest Column

Faai Steuer reveals how dispensaries are using technology to improve the customer experience.

58 | Executive Profile

Dr. Raphael Mechoulam isolated THC and CBD more than fifty years ago. Now in his late 80s, he's still fascinated by the endocannabinoid system—and he's still researching.

62 | Packaging

Danielle Antos offers tips for obtaining plastic packaging that boosts profits, pleases consumers, and satisfies regulators.

64 | Human Resources

Internships can benefit both employers and job seekers.

68 | Marketing

Kaz Kosciolk says consumers embrace branded collateral merchandise that shows the world who they are and what they value.

72 | Insurance

Nick DiUlio explores what it will take for an “uninsurable” industry to find coverage.

74 | Cultivation

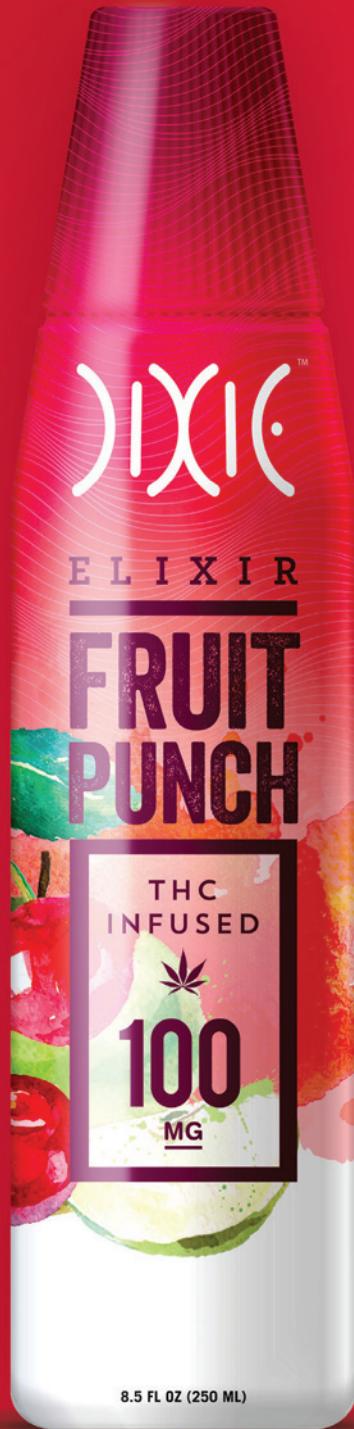
Christopher Machnich explains how to set up an operation to grow multiple strains.

78 | Voice

Experts offer advice about spotting and responding to trends.

80 | Social Media

Insight and intel from high-profile influencers.



CAN'T
GET ANY
HIGHER
THAN
1ST

1ST PLACE

BEST THC DRINK

2019 HIGHTIMES DOPE CUP



DIXIEBRANDS.COM

Randall Huft



Randall Huft is president and creative director at the Innovation Agency, an advertising, marketing, branding, and public relations firm specializing in the cannabis industry. He discovered what works, what doesn't, and what steps must be taken to achieve sales goals and gain market share while working with blue-chip companies including AT&T, United Airlines, IBM, Walgreen's, American Express, Toyota, and Disney. Inov8.us

Faai Steuer



Faai Steuer is vice president of marketing at award-winning point-of-sale developer Cova Software. An entrepreneur at heart, she has a passion for growing startups and building brands. With twenty years of marketing experience in consumer packaged goods and retail tech, she lends her knowledge and best practices to help cannabis entrepreneurs in the United States and Canada. CovaSoftware.com

Danielle Antos



Danielle Antos is the marketing project manager for Drug Plastics & Glass Co. Inc. Located in Boyertown, Pennsylvania, Drug Plastics is a leading manufacturer of HDPE bottles, PET bottles, and plastic closures for medicinal, wellness, and lifestyle products. The company is committed to making people's lives better by producing packaging that is functional, easy to use, and safe. DrugPlastics.com

Kaz Kosciolk



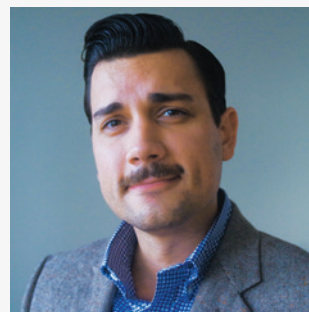
Kaz Kosciolk is a partner in and director of content for Lemon Tree. He specializes in videography and photography and is based in Santa Cruz, California. Contact him at kaz@lemontreesc.com. LemonTreeSC.com

Nick DiUlio



Nick DiUlio is an analyst for InsuranceQuotes.com, which publishes in-depth studies, data, and analysis related to auto, home, health, life, and business insurance. DiUlio studies the insurance industry in order to author editorial content that provides trusted tips, advice, and insights for consumers. InsuranceQuotes.com

Christopher Machnich



Christopher Machnich is a digital marketing manager for GrowSpan Greenhouse Structures. He is a cannabis industry enthusiast who focuses on greenhouse and hydroponic production, as well as the cultural and economic impact of cannabis legislation. GrowSpan.com

What's Present is Prologue

PRODUCTS CONTAINING HEMP-DERIVED CANNABIDIOL are hotter than a jalapeño right now. Although no one understands in any significant way how the substance may affect those who use it, a growing number of consumers are turning to CBD as a natural alternative to pharmaceutical remedies and chemical-laden beauty treatments. And who can blame them? We're killing ourselves with over-the-counter medications that poison one part of the body while alleviating symptoms in another. Cosmetics and skincare products promise loveliness while potentially damaging the very things they allege to enhance.

On May 31, as part of its first tentative steps toward regulating a runaway freight train, the U.S. Food and Drug Administration hosted a public hearing about CBD. More than 100 people addressed the panel, some saying the FDA should throw open the gates and others urging the agency to virtually outlaw the substance pending further research. Nothing was decided, but observers predict the FDA will proceed with extreme diligence.

Valid points exist in both camps. Lax regulation can lead to unforeseen disaster, as was the case with tobacco. Once considered chic, smoking eventually proved enormously addictive and a contributor to devastating health problems like emphysema, heart disease, and cancer. On the other hand, practitioners in non-Western cultures have prescribed herbal medicines for centuries. Some remedies have demonstrated beneficial effects, if not curative properties. However, popular medicinal herbs—St. John's wort, for example—can be toxic if used incorrectly.

CBD deserves sanctioned, in-depth scientific exploration. While no one has provided undeniable evidence of harm, neither have scientists and medical experts given the substances their unqualified blessing. Even Dr. Raphael Mechoulam, who isolated THC and CBD in the 1960s, says "nobody knows what [CBD] does." Abbie Rosner's profile of Mechoulam in this issue explores the octogenarian's observations about the cannabinoids he continues to research.

Hemp growers, product manufacturers, retailers, and consumers all would welcome appropriate regulation to protect public health and prevent swindlers and fraudsters from taking advantage of the ill-informed. At this point, though—especially since a regulatory structure could be as many as three years away—the agency faces a monumental task if it tries to put the CBD genie back in the bottle. As with everything else related to cannabis, consumer education is imperative, and it's up to the industry to provide responsible, reliable information.

On a grander scale, the CBD kerfuffle taking place now foreshadows what the medical and recreational marijuana industry faces when Congress finally ends prohibition. Because of THC's notorious history, the FDA very well may step in immediately and shut down the entire industry pending regulation. Since research into the substance's benefits and risks is virtually nonexistent, the process could take much longer than three years. That possibility is worth pondering.

The FDA does many good things, as evidenced by the number of recalls the agency has issued over the past few years and the number of actions it has taken against suspected charlatans. Americans need a food and drug watchdog. While the agency isn't perfect—like any other governmental unit, it's subject to corruption, political whim, and mistakes—but it's not our enemy. Let's work with the FDA to assure it and the public cannabis will at least do no harm.



Kathee Brewer

CORRECTION: Wick & Mortar founder and chief executive officer Jared Mirsky's name was misspelled in the June feature "The Power of a Brand." In the same article, we used an incorrect image depicting a 25mg Dr. Norm's Cookies package. That dosage is no longer manufactured due to changes in California regulations. **mg** regrets the errors.

mg is printed in the USA and all rights are reserved. ©2019 by CANN Media Group, LLC. **mg** considers its sources reliable and verifies as much data as possible, although reporting inaccuracies can occur; consequently, readers using this information do so at their own risk. Each business opportunity and/or investment inherently contains criteria understanding that the publisher is not rendering legal or financial advice. Neither CANN Media Group, LLC, nor their employees accept any responsibility whatsoever for their activities. All letters sent to **mg** magazine will be treated as unconditionally assigned for publication, copyright purposes, and use in any publication or brochure and are subject to **mg** unrestricted right to edit and comment.



DIRECTOR OF CONTENT: **Kathee Brewer**
 CREATIVE DIRECTOR: **Angela Derasmo**
 EXECUTIVE EDITOR: **Rob Hill**
 COPY EDITOR: **Erica Heathman**
 CONTACT: editorial@cannmg.com

CONTRIBUTING WRITERS

Abbie Rosner, Adrian Sedlin, Bailey K. Bifoss Esq., BDS Analytics, Brett W. Scott Esq., Christopher Jones, Christopher Machnich, Danielle Antos, Danielle H. Moore Esq., Daniel Reed, David T. McTaggart Esq., Dr. Donald Land, Faai Steuer, Genese K. Dopson Esq., George "Trey" Lyons III Esq., Henry Wykowski Esq., Ian A. Stewart Esq., Jared Mirsky, Jason Vegotsky, Joanne Cachapero, Josh Wand, Kary Radestock, Katherine Allen Esq., Kaz Kosciolk, Kirk Grogan, Mary Shapiro Esq., Matthew Youngblood, Megan Stone, Mia Butera Esq., Michael Chernis Esq., Neil Juneja, Nick DiUlio, Nicole E. Grimm Esq., Nicole E. Stenoish Esq., Nigel Williams, Randall Huft, Ricardo Baca, Robert Selna Esq., Robert T. Hoban Esq., Ruben Espinosa Esq., Sahar Ayinehsazian Esq., Seth A. Goldberg Esq., Tom Hymes

ADVERTISING & MARKETING

CLIENT MANAGEMENT

Brie Ann Gould: Brie@cannmg.com
 Hope Gainey: Hope@cannmg.com
 Meghan Cashel: Meghan@cannmg.com
 General Inquiries: sales@cannmg.com

PHOTOGRAPHY

Alexander Baidin, Karl Sonnenberg
 Mitchell Straub Photography

CONTRIBUTING ARTISTS

Zack Korn, Christine Bishop

CIRCULATION MANAGER

Amy Razi

ONLINE DEPARTMENT

MANAGING DIRECTOR: Linda Friedman
 DIGITAL STRATEGIST: Dexter Nelson
 DIGITAL CONTENT: Kevin Guardado
 VIDEO EDITOR: Rosemary Hall

BUSINESS OFFICES

CHIEF EXECUTIVE OFFICER: Darren B. Roberts
 ADMINISTRATION: Erin Zavala
 ACCOUNTING: Jessica LeBlanc
 GENERAL INFORMATION: hello@cannmg.com

MAILING ADDRESS

mg Magazine
 21333 Oxnard Street, Second Floor
 Woodland Hills, CA 91367
 (310) 421-1860



www.mgretailer.com
 Incunabulum Publishing

NEWS BRIEFING



Harborside Goes Public Following Reverse Takeover

OAKLAND, Calif. and TORONTO — Following an incredibly complicated reverse takeover, merger, and restructuring, the company now known as Harborside Inc. in June listed on the Canadian Stock Exchange under the ticker symbol HBOR.

The process began when Lineage Grow Company Ltd. and FLRish Inc. engineered a reverse takeover. FLRish operated as Harborside, one of the oldest dispensaries, manufacturers, and cultivators in California. The RT was completed by way of a “three-cornered merger,” wherein FLRish merged with Harborside Inc. subsidiary Lineage Merger Sub Inc. to form a merged corporation that will operate as a wholly owned subsidiary of Harborside Inc.

Immediately prior to the RT, Harborside Inc. consolidated its common shares on the basis of approximately 41.82 common shares into one new common share, reclassified the post-consolidation

common shares as subordinate voting shares, and created a new class of multiple voting shares. On closing, the holders of shares of FLRish received multiple voting shares, subordinate voting shares, or a combination thereof for each share of FLRish outstanding immediately prior to completion of the RT.

The company’s new board of directors consists of Andrew Berman, Peter Bilodeau, Adam Szwera, Matthew K. Hawkins, Tracy Geldert, Sherri Altshuler, and Nayir Felix Munoz, with Bilodeau as chairman. Berman, formerly chief executive officer of FLRish, serves as Harborside Inc.’s president. FLRish co-founder Steve DeAngelo was named chairman emeritus.

Following the RT and merger, Harborside Inc. holds in its portfolio dispensaries in Oregon and California, as well as cultivation, manufacturing, and distribution operations.

Court to DEA: Speed Up Cannabis Reconsideration

NEWYORK — A federal appeals court in May indicated it may take marijuana scheduling into its own hands if the Drug Enforcement Administration doesn't reach a decision about rescheduling or de-scheduling the substance "with dispatch."

The plainly worded command was part of the ruling in a 2017 lawsuit against the Department of Justice. Patients and advocates alleged including cannabis on Schedule I under the Controlled Substances Act endangered patients' health. The trial court dismissed the case in 2018, saying plaintiffs should have exhausted all administrative and legislative options before taking their grievances to the courtroom. The U.S. Court of Appeals for the Second Circuit reached the same conclusion, but instead of dismissing the case, the judges set aside a final ruling pending DEA action...or inaction.

"[W]e are troubled by the Drug Enforcement Administration (DEA)'s history of dilatory proceedings," U.S. Circuit Judge Guido Calabresi wrote for the majority. "Accordingly, while we concur with the District Court's ruling, we do not dismiss the case, but rather hold it in abeyance and retain jurisdiction in this panel to take whatever action might become appropriate if the DEA does not act with adequate dispatch."

The opinion also indicated the court was inclined to agree with one of the plaintiffs' core arguments. "It is possible that the current law, though rational once, is now heading towards irrationality; it may even conceivably be that it has gotten there already," Calabresi wrote.



THE PEN IS MIGHTIER

Snoop Dogg's Casa Verde Capital invested \$3.5 million in vape manufacturer Indose for production of a pen that allows consumers to adjust THC doses in increments of .5mg, with a top end of 3mg.

CasaVerdeCapital.com



CURALEAF BUYS SELECT CBD

Vertically integrated, multistate operator Curaleaf Holdings Inc. signed a deal to acquire Cura Partners, owners of the Select CBD brand, for \$950 million in stock.

CuraLeaf.com, SelectCBD.com



CANOPY GROWTH SETS SIGHTS ON GERMANY

Publicly traded Canopy Growth Corp. acquired German synthetic cannabinoid manufacturer C3 Cannabinoid Compound Company for \$254 million in cash.

CanopyGrowth.com

New Products:

**TOAST CBD OIL**

Known for its Slices pre-rolls, Toast now offers all-natural, full spectrum hemp extract. Source plants are grown without pesticides, herbicides, solvents, or chemical fertilizers, and the oils are vegan and free of gluten, sugar, and artificial colors and flavors. Available in one-ounce dropper bottles containing 250mg or 500mg CBD. MSRP \$55 to \$100

WeToast.com

**BASKIN GLOW**

From Cannabiniers' BASKin Essentials line, GLOW is a pharmaceutical-grade transdermal cream containing a 1:10 CBD to THC ratio. Marketed as "the world's first recreational topical," the product's patented rapid-release technology reportedly delivers a high-dose of THC into the bloodstream within minutes and keeps on giving for up to six hours. MSRP \$80.

BASKinEssentials.com

**Trouble in Paradise for Greek Billionaire**

BASSETTERRE, St. Kitts — Federal authorities arrested Alkiviades "Alki" David, the billionaire heir to Greece's Coca-Cola bottling licensee, after his private plane landed in St. Kitts with \$1.3 million worth of cannabis plants and seeds. David said the 5,000 plants were "pure hemp" for his company's nascent Caribbean cultivation operation. David owns SwissX.

After a night in jail, he posted \$300,000 bail and left the country. He is scheduled to appear in court September 23 on charges of possession with intent to supply, possession of controlled drugs, and importation of a controlled drug.

One week later, he landed without incident in San Juan, Puerto Rico, with \$3 million worth of hemp plants and seeds.

**WASHINGTON STUDENTS CAN TAKE THEIR MEDICINE**

In May, Washington joined a growing list of states that allow registered cannabis patients to take their medicine at public schools. Parents or guardians may administer concentrates while students are on school grounds, aboard a school bus, or attending school-sponsored events.

73%

of cannabis patients have used cannabis as a substitute for or alternative to other medications.

(Source: New Frontier Data)

71%

of cannabis consumers report they reduced or stopped using over-the-counter painkillers.

(Source: Eaze Insights)

60%

of cannabis consumers have reduced or stopped alcohol consumption.

(Source: Eaze Insights)

80%

of cannabis users consume while exercising.

(Source: University of Colorado, Boulder, study)



Bankers Ask Senate to Act on Banking Bill

WASHINGTON, D.C. — The bankers associations in all fifty U.S. states in May urged the Senate Banking, Housing, and Urban Affairs Committee to conduct a hearing on the merits of providing banking services for cannabis-related businesses. At stake, the organizations said, are public safety and legal compliance, among other things.

The SAFE Banking Act, supported by the associations, cleared the House Financial Services Committee in March and is expected to receive a vote on the floor soon. No action on the companion bill has occurred in the Senate, though, and bankers are becoming impatient.

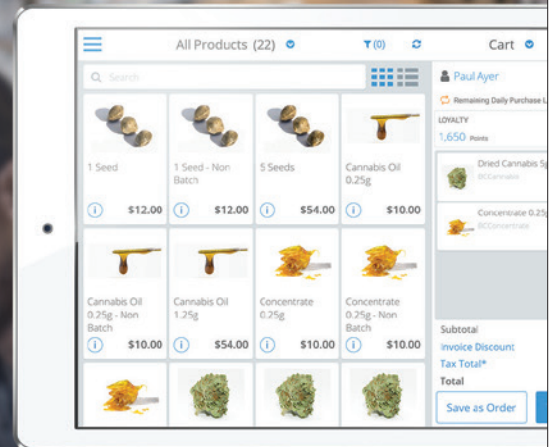
“As a result of congressional inaction and the lack of regulatory clarity, legal cannabis businesses must operate on an all-cash basis, subjecting their employees and the general public to serious risk of criminal activity and harm,” the associations wrote in a letter to the committee’s chairman and ranking member. “The impact on local economies is also significant. ... If banks are forced to discontinue relationships with [ancillary] businesses, a significant portion of the economy in states where cannabis is legal will be cut off from the regulated banking system.

“Leaving the cannabis industry unbanked presents serious public safety, revenue administration, and legal compliance concerns and must be remedied immediately,” the letter stated.



Protect Your Investment By Choosing Cova POS

Run your store with the most trusted cannabis retail POS that can streamline operations, enhance customer experience and reduce the compliance burden.



Automated compliance.
Metrc & Leaf integrations.

User-friendly.

Express checkout app
& self-serve menu.

Insights on the go. Fast
& robust reporting.

Offline mode. Keep selling,
with or without Wi-Fi.

www.covasoftware.com

Sales@covasoftware.com

1.844.667.2682 (COVA)



Ice Cream Therapy

Ice cream maker Ben & Jerry's plans to take medicating to a whole new level by launching a CBD-infused variety "soon." No word on potential names or flavor.

JOBS, JOBS, AND MORE JOBS

The industry added 64,000 full-time jobs in 2018, bringing the total of direct employees to more than 211,000—a 44-percent year-over-year increase. (Source: Leafly's 2019 Cannabis Jobs Count)

NJ ABANDONS REC-LEGAL PLANS

New Jersey voters will decide the fate of recreational use at the ballot box in November 2020 after the Republican minority in the state senate blocked legislative efforts.

TRUE LEAF NAMES SPOKESDOG

Pet health and wellness brand True Leaf Pet Inc. named creative director and choreographer-to-the-stars Laurieann Gibson and her fur-baby Samson, a 12-year-old Pomeranian, its first brand ambassadors. [TrueLeaf.com](https://www.TrueLeaf.com)



NO PAY ON GOOGLE PLAY

Google Play has banned marijuana delivery apps from its platform. Menus may remain, but ordering and purchasing must be done outside the app.



The Celebrity Effect

According to Om Amir, a marketing professor at University of California, San Diego, consumers buy celebrity brands to become closer to their "ideal self."

SAY IT WITH WEED

According to market analysts at Headset, Mother's Day contributed to sales increases in three categories: infused hot beverages (72-percent spike), transdermal products (40 percent), and infused foods (32 percent).





High-Ranking Dems Join Board of Investment Firm

NEW YORK — Two former federal legislators have joined the board of directors at Northern Swan, which describes itself as an “opportunistic” investor in heavily regulated industries globally. Former Sen. Tom Daschle of South Dakota and former Rep. Joseph Crowley of New York, both Democrats, will serve in advisory capacities.

The politicians are the latest players to pursue private-sector careers in cannabis. Former Speaker of the House John Boehner and former Massachusetts governor Bill Weld, both Republicans, joined the advisory board of U.S.-based cannabis investment firm Acreage Holdings in 2018.

Northern Swan has raised approximately \$100 million of financing to date for its cannabis initiatives, which include expanding existing Latin American operations, investing in low-cost, large-scale cannabis cultivation and processing centers, and building distribution channels and brands in Europe, Latin America, and North America.

The company currently has money in Colombia’s Clever Leaves and Germany’s Cansativa GmbH, among others.





Vital Garden Products™

PREMIUM ORGANIC LIQUID CAL-MAG



Photo courtesy of:







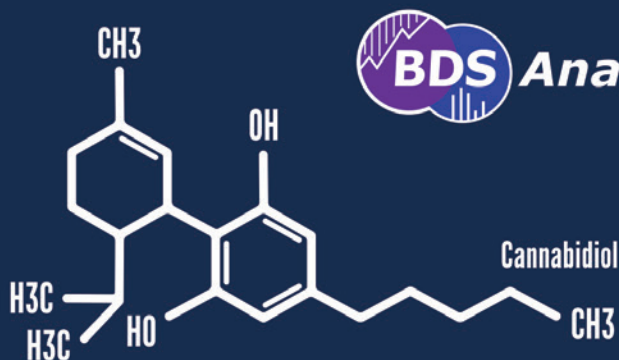
- ★ Triple organic certified
- ★ Feeds beneficial microorganisms
- ★ Strengthens cell walls
- ★ Corrects cation exchange issues

Available in: 1 gal. / 2.5 gal. / 5 gal. / 55 gal.

WWW.VITALGARDENPRODUCTS.COM

The Booming CBD Market

Insights from BDS Analytics' CBD Market Monitor



BDS Analytics and Arcview Market Research anticipate the U.S. CBD market to reach \$20 billion by 2024.

TODAY'S CBD CONSUMER



- 50% female, 50% male
- Higher-educated
- Average age 40-45
- Employed full-time

11%

of total dispensary dollar sales in 2018 were CBD products, up from 5% in 2017.



15%

of U.S. adults (21+) consume hemp-derived products.

Most Popular CBD Product Categories

BDS Analytics 2018 Market Sizing (Nationwide)



INGESTIBLES

\$883.5M | Driven by Candy & Tinctures

TOPICALS

Driven by Creams, Balms, & Salves | \$491.2M



INHALABLES

\$395.4M | Driven by Vapes

PET PRODUCTS

\$63.8M



PHARMACEUTICALS

\$16M

EDUCATION!



- 54% of U.S. adults (21+) do not understand the difference between THC and CBD.
- 59% are confused about the effects of hemp-derived products.

CBD MARKET MONITOR

tracks current and ongoing retail sales as well as consumer behavior. Tracking and forecasts include products sold through licensed dispensaries, pharmaceuticals, and in general market retail, encompassing the full CBD market of 11 broad distribution channels and 10 categories of CBD product types.



This infographic was created exclusively for **mg** Magazine readers

Learn more at bdsanalytics.com/cbd

These insights and more are available on-demand as part of CBD Market Monitor

© 2019 BDS Analytics



DAVINCI

VAPE INTELLIGENTLY



greenlane

NOT FOR SALE TO MINORS

WHOLESALE ORDERS CALL
877.292.7660 | GNLN.COM



**HAND CRAFTED
HIGH QUALITY HEMP**

**LICENSED VIRGINIA
GROWER
PROCESSOR**

**WE BUY AND SELL
QUALITY HEMP
FLOWER AND HIGH
GRADE HEMP OIL**

**CLONES AVAILABLE
TO EAST COAST
GROWERS**

SALES@KWHEMP.COM

VISIT US AT
 **KINGWEEDYHEMP**

kingweedyhemp.com

**703-257-5620
MANASSAS, VA**

EVENTS



The following is a list of select industry events taking place this month.

CHAMPS LAS VEGAS SUMMER 2019 JULY 16-18

Las Vegas Convention Center

Founded in 1999 and now one of the largest counterculture trade shows in the world, CHAMPS hosts premier exhibitors and draws buyers in the thousands from all over the world. Vendors offer glass pipes, vaporizers, cleaners, and extraction machines, among other stock. A new Dispensary + section is tailored for the cannabis industry.

CHAMPSTRADESHOWS.COM

ARCVIEW INVESTOR FORUM JULY 17-19

Hotel Fairmont, Chicago

Accredited investors will convene with publicly listed and curated private cannabis companies to explore the impact and opportunities of impending recreational legalization in Illinois. Attendees will have access to pitches from early- and growth-stage companies as well as one-to-one sessions with investors and issuers.

ARCVIEWGROUP.COM

SOUTH EASTERN 2019 HEMP & MEDICAL CANNABIS CONVENTION JULY 18-19

Cobb Galleria Center, Atlanta

A platform for leaders and experts in the hemp and cannabis industries, the convention aims to equip new and future entrepreneurs to achieve new levels of success within purposefully constructed educational tracks, forums, and networking opportunities.

HEMPEVENTS.ORG

CANNAVAL JULY 20

St. Croix, U.S. Virgin Islands

The first educational medical cannabis and hemp conference and expo in the U.S. Virgin Islands, CANNAVAL is designed to educate and empower the people of the territory while providing the products and services to build the infrastructure of the cannabis and hemp industries.

CANNAVALUSVI.COM

NCIA CANNABIS BUSINESS SUMMIT & EXPO JULY 22-24

*McEnery Convention Center,
San Jose, California*

The annual gathering of the National Cannabis Industry Association will offer attendees three days of engagement and interactive programs. The educational program is expected to address business management, CBD and hemp, cultivation, legal and political issues, banking, and other topics. Tours, workshops, and partner events take place the day before for those who arrive early.

CANNABISBUSINESSSUMMIT.COM



CANNABIS DRINKS EXPO JULY 25

*South San Francisco Conference Center,
San Francisco*

This first-of-its-kind gathering will bring together North American drinks producers, manufacturers, brand owners, distilleries, and brewers to consider how to address legalized cannabis—and how beverage companies can benefit from the space. Attendees will assess, analyze, and implement plans to take advantage of a major new consumer goods market.

CANNABISDRINKSEXPO.COM



MGRETAILER.COM

Know what's happening.



A GOLDEN STATE™

mills

CULTIVATION IS EVERYTHING

#millspaysthebills

| 562-343-5412

| millsnutrients.com

SHASTA BLOOM

GROWN BY @AGOLDENSTATE

agoldenstate.com



7 Amazing Reasons to Read this Column

Who knew everything was so easy?

Every day, I see hundreds of articles claiming to provide a solution to whatever problem you may encounter in just a few simple steps. Headlines like “Build Your Brand in 10 Easy Steps,” or “3 Tricks to Sales Success” make one reasonably conclude anything and everything in life is possible if you just know the shortcuts to success.

Really? Is this what life has come to—that every skill can be mastered in a few minutes if you know the simple, secret steps?

In today’s world, where information is catapulted around the globe in a matter of moments, it is now possible to capture a reader’s attention by promising quick solutions to life’s quandaries.

“10 Essential Steps to Reach Your Dreams,” one headline barked. Then, scrolling down just a bit, I discovered an even better option. Beating the ten-step solution by a sizable margin, this headline boasted readers could do the job in half the time: “5 Steps to Success in Life.”

Hmmm. I considered it, but five steps are still a lot for my sedentary lifestyle. Perhaps someone could offer me the key to success in just one simple step.

Clearly, my job is in jeopardy. I’ve seen countless headlines boasting the reader will become a master at marketing, a builder of brands, and a wizard at writing in less time than it’s taken you to read this paragraph.

It makes me cringe when I think about all those wasted years in college, not to mention countless hours working in the industry, gaining experience, learning from mentors and leaders in the field, studying response rates, and crafting ever-more-effective solutions. I merely should have quickly scanned the appropriate paragraph and learned the simple steps to succeeding in my fields of expertise. It would have saved years of pointless learning.

Is this what life has come to—that every skill can be mastered in a few minutes if you know the simple, secret steps?

I call this “The Dumbing Down of Everything,” and as a marketing and branding professional and writer, I’m embarrassed to be a member of the club that perpetuates this click-bait snake oil.

I wonder whether the Dumbing Down of Everything could apply to any skill: “6 Steps to Becoming a Nuclear Physicist” or “3 Tricks to Becoming an Astronaut.”

Wow! Who knew it was so easy!


Sarcasm aside, I have seen this disregard for expertise all too often. I have lost count of the number of times I have asked a client for a photograph of their product for a brochure or website we are creating, and they sent me something they snapped with their iPhone. Hey, who needs a professional photographer as long as they clicked on “3 Steps to Being a Master Photographer with a Cellphone.”

Getting someone to write nowadays is easier than ever because virtually everyone knows the alphabet.

“Let’s get Mikey to write our website. He read that book, whaddayacallit... ‘To Hurt a Mockingjay?’”

I have taught classes about copywriting. I have written articles about improving response rates. I have spoken about marketing tactics and how to build a brand—with a foundation built upon lessons I learned working with some of the largest and most successful companies in the world. I have toiled for years writing novels and screenplays, now in various stages of completion, not to mention countless articles, websites, brochures, and press releases. And all I really needed to do was read “3 Simple Steps to Becoming an Expert at Everything.”

All that time, wasted.

The horror...the horror. 

PRECISION[®]

EXTRACTION SOLUTIONS

THE WORLD'S MOST ADVANCED
EXTRACTION EQUIPMENT
MADE WITH PRECISION[®]

#1 in Quality, Customer Service & Tech Support

MULTI-SOLVENT
EXTRACTION TECHNOLOGY
PROCESS 100 TO 50,000+ LBS
OF INPUT MATERIAL PER DAY!



PRECISIONEXTRACTION.COM
855-420-0020

© 2019 PX2 Holdings, LLC. All rights reserved.

Prairie Records: Hitting the High Notes

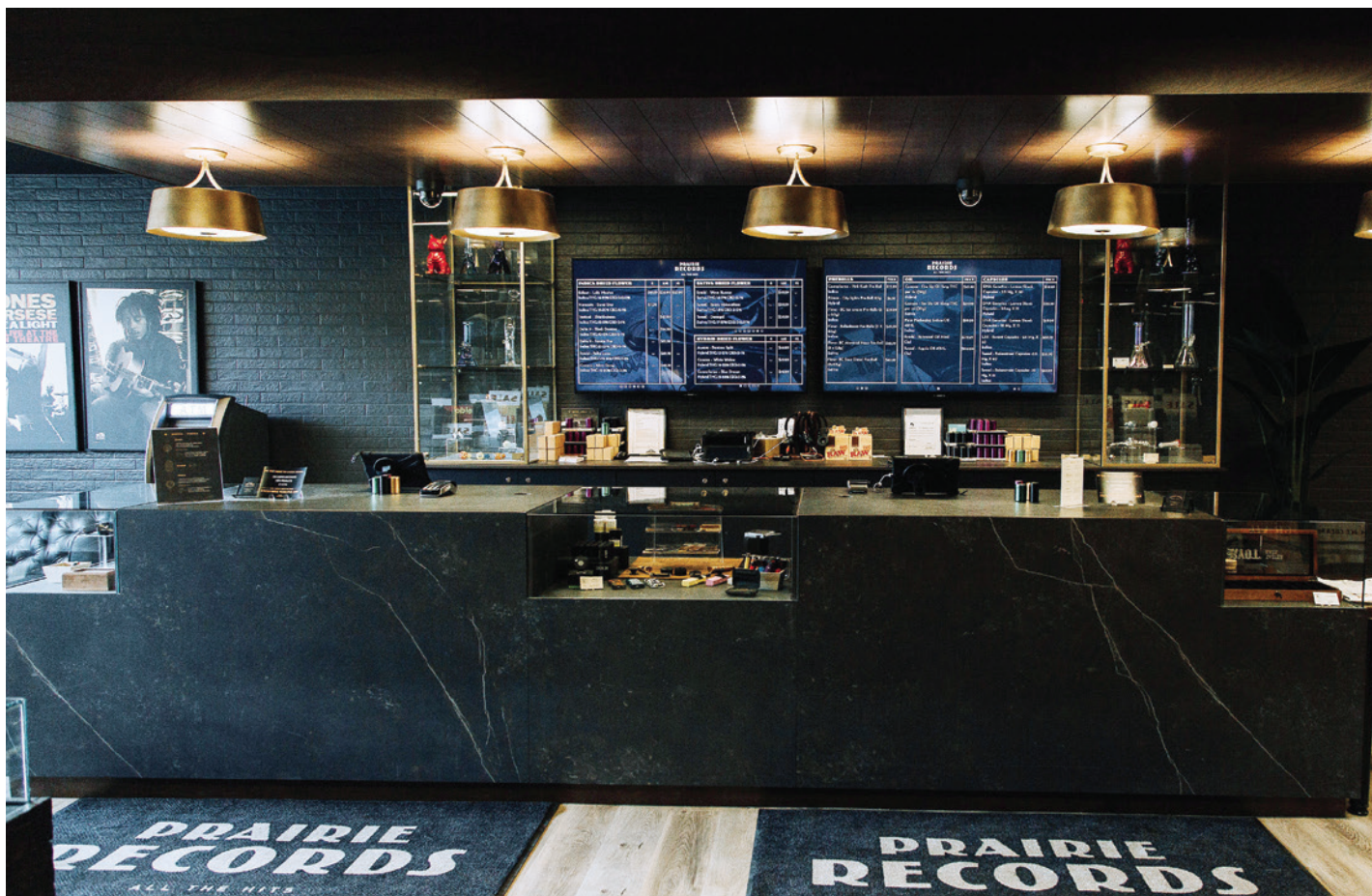
The dispensary chain's clever design is unique, yet approachable.

Prairie Records provides an experience unlike anything else in retail cannabis. The flagship store in Saskatoon, Saskatchewan—one of three in a chain—revels in the dynamic relationship between cannabis and music, mixing an atmosphere of sophisticated modernity with elements of a jazzy basement. The “Top Hits” wall shows off featured cannabis products, and listening booths offer playlists curated to match strains.

“One of the biggest competitive differentiators for Prairie Records is its aesthetic,” said Adam Coates, a former Labatt Breweries executive who now serves as chief commercial officer for Prairie Records parent company Westleaf Inc. “By using records, we can provide customers with something tangible to hold in their hands, allowing the in-store shopping experience to be much more engaging and approachable. We’re passionate about







The chandeliers over the checkout add a dynamic feminine element.

"Education through music is a way to connect. Most people know music better than they know cannabis."

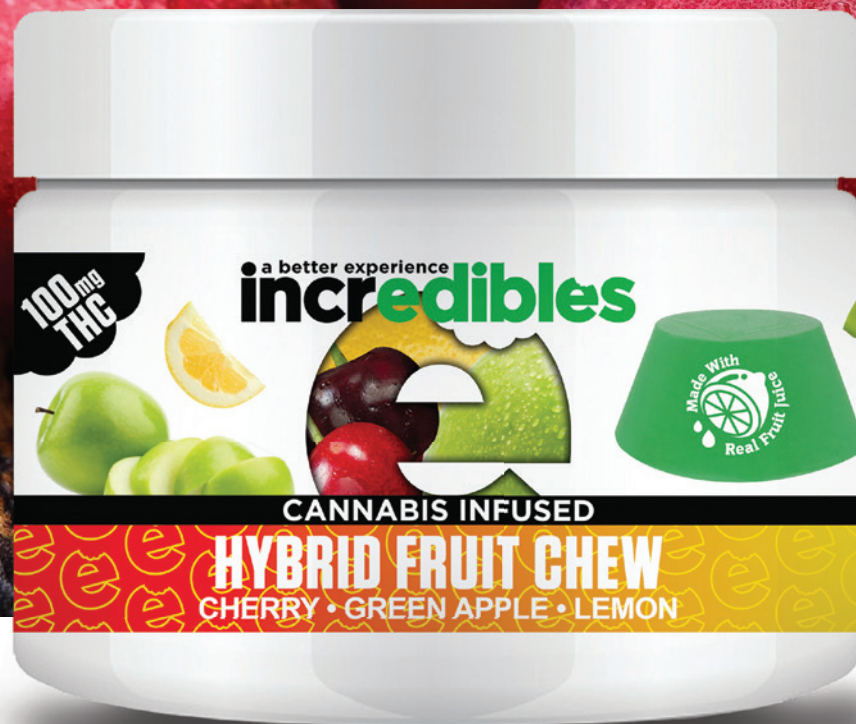
—Adam Coates, CCO, Westleaf Inc.

educating our customers and sparking curiosity. Education through music is a way to connect, after all. Most people know music better than they know cannabis."

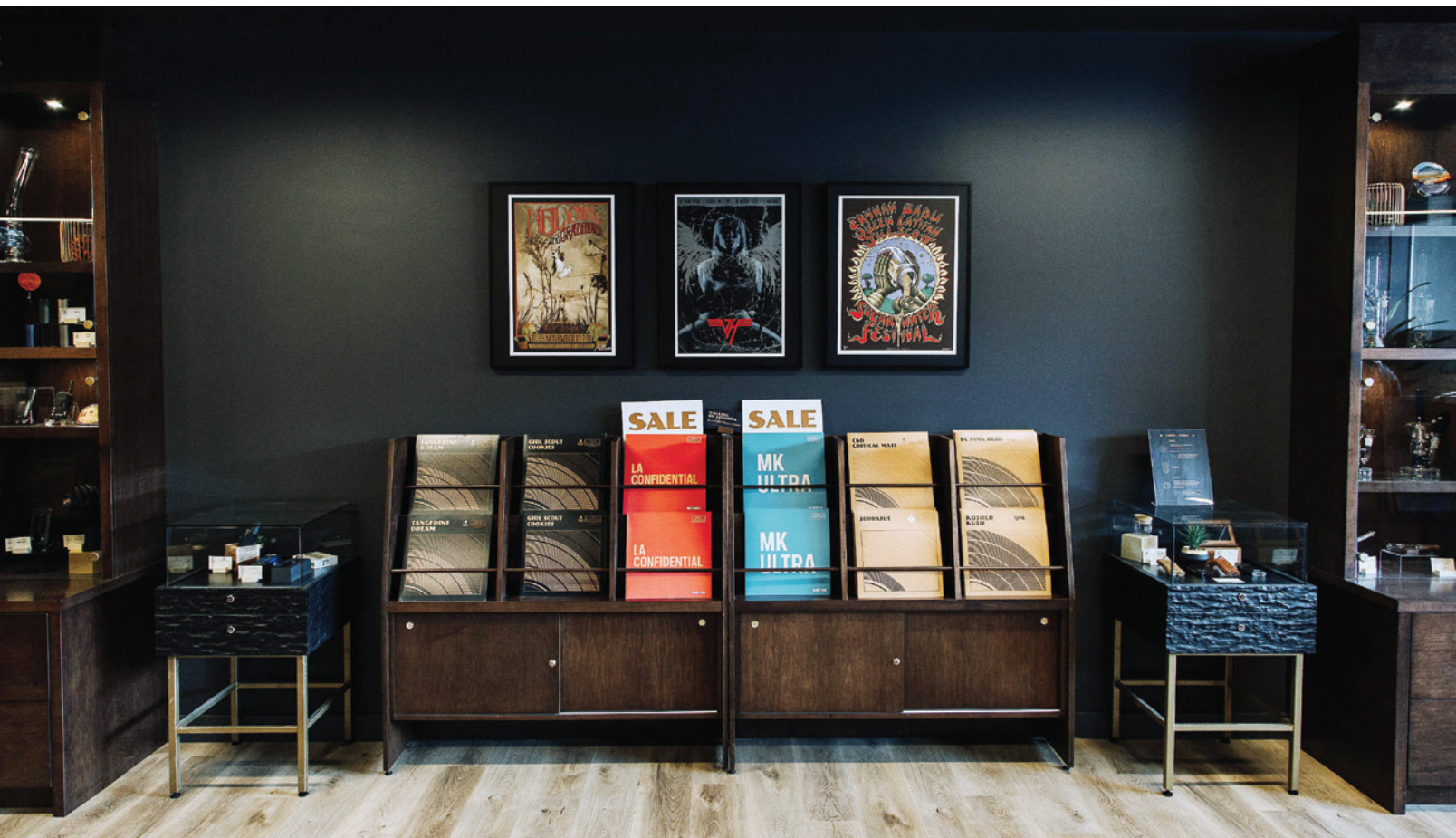
The store is designed for a holistic, immersive, and engaging sensory experience from entry to exit. Rows upon rows of wooden shelves house vinyl records organized into genres. However, where consumers normally might find a track list on a record jacket, there resides information about a strain, format, THC and/or CBD levels, and the type of music with which the product pairs well. Once consumers have chosen their "record," they're free to explore a deeper experience. The process is both familiar and innovative.

For the store itself, the process was somewhat more complex. Strict Canadian regulations forbid most marketing, making building powerful product brands extremely difficult. Westleaf cleverly bypassed the issue by developing strong consumer loyalty to the store, not a product. "Everyone has a relationship with music, so this creates a strong connection among customers," Coates said. "The great thing about music is there's a different time and place for different genres. As you go through your

incredibles



iloveincredibles.com

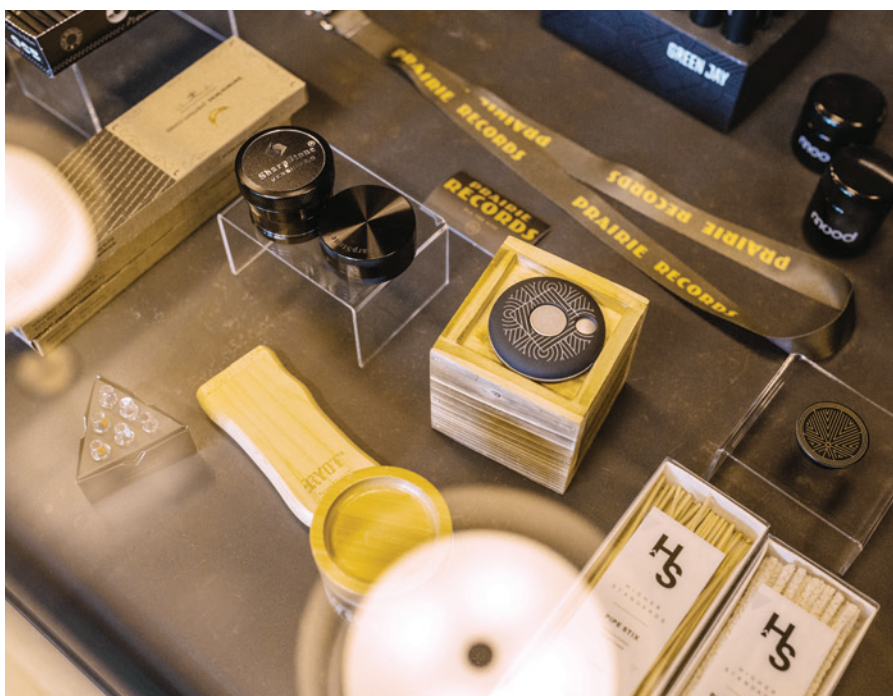


"Record jackets" contain strain information and suggested music pairings.

day, you go through different moods and songs on your playlist, and we believe cannabis and its related products carry a similar notion. Marrying music and cannabis in our retail environment is a great way to truly build a distinctive customer experience."

THE DESIGN

Westleaf turned to renowned design firm KLD Interiors, known for custom upholstery, bold paint choices, art, and dynamic space planning. The first thing designer Kimberly Dyck commissioned was jazzy wall murals. But she didn't stop there. "For the flagship Saskatoon location, we wanted to elevate the design with something more edgy and trendy," she said. "We collaborated with our design team and had them select music posters that would be reflective of the audience's demographics. Keeping in mind Prairie Records' retail concept is rooted in celebrating the relationship between music and cannabis, we wanted to add art that would not only be fun and visually striking, but also relatable for their clientele. The posters are sourced from local vinyl stores."







Dark, moody colors and subtle textures create a distinctive vibe.

As you go through your day, you go through different moods and songs on your playlist, and we believe cannabis and its related products carry a similar notion."

—Adam Coates, CCO, Westleaf Inc.

Next, she turned to color. A lusty mix of dark mocha browns and lighter tobacco shades creates a sense of smoky elegance. The bold vinyl-black industrial brick walls echo a groovy basement feel. Dyck said colors have a big impact on people's emotions. "The design team carefully selected dark, moody colors with subtle texture to create a very calm, chill, relaxed vibe throughout the store," she said. "The 'Top Hits' wall was designed as a high-impact feature wall. The textured sound-panel wall was created to buffer the store noise, as well as provide a visually pleasing backdrop to the stunning custom metal rings, which feature some of the top cannabis selections."

Sharp leather chairs are placed strategically. "Adding a layer of warm, colorful texture not only softens the space but also adds another level of interest and a tactile feature," Dyck said. To tie all the details together, she utilized modern hanging ceiling lights that create moody, back-lit auroras. "These lights are so fun," she remarked. The chandeliers over the checkout add a dynamic feminine element, their curves and gold finish softening the space's masculine features. "Not only do these funky fixtures provide much-needed

Go Beyond Video Security Regulatory Requirements



With constantly shifting requirements and regulations, it's important to get your security done right the first time. Salient provides real time actionable intelligence from seed to sale, helping ensure your cannabis compliance. Go beyond video security regulatory requirements and learn how to get more out of your security system with Salient.

Give us a call today for a free security evaluation! 512.617.4800



Clean Green®
CERTIFIED




SALIENT
www.salientsys.com



lighting over the counter for employees and customers, but they also bring a new dimension of texture,” she said. To balance the brooding walls, wood floors reflect a splashy peanut butter hue.

How to package the intense, yet inviting, interior within an equally inviting exterior perplexed the team. In the end, they selected a rich charcoal paint finish to complement the brand image. The channel letter neon signage was inspired by the Palace Theatre—a musical landmark located in the heart of Calgary, Alberta. “The signage is both an homage to Prairie Records and Westleaf’s hometown of Calgary, as well as a tribute to a building that has deeply shaped Calgary’s music scene,” Dyck said.

Business has been strong (“better than expected”) and word of mouth great, according to Coates. “Since the start of the year, we’ve launched three retail locations in Saskatchewan, as well as our e-commerce site to serve the province,” he said. “Our retail strategy includes opening more than thirty stores across Western Canada by the end of 2020. Our goal is to be a leader in cannabis retail, and our journey is truly just beginning.”  —Rob Hill

Westleaf.com/prairie-records

Photos: Prairie Records / Westleaf Inc.



PERFECT TEMP CONTROL *for* PERFECT PRODUCT QUALITY



Sprinter Van



Ford Transit Van



RAM ProMaster

Numerous Vehicle Makes & Models Available !!

Maintaining product quality during your delivery process is critical. Bush Refrigerated Vans builds the highest quality vans in the nation so you can feel comfortable knowing that your cargo is safe, secure and at just the right temperature.

Contact us today for a free quote on any vehicle, customized to your needs !

1.800.200.0404

Purchase & Lease-to-Own Options Available
GPS, Surveillance & Security Options
National Delivery : East & West Coast Mfg

www.reefervansforsale.com/cold

LEVO®



LEVO I

- ♦ Gentle Infusion Method
- ♦ Revolutionary Kitchen Appliance
- ♦ Simple LED Interface Offers Total Control
- ♦ LEVO App Compatible
- ♦ No Aeration
- ♦ Dishwasher-Safe Components
- ♦ 16 oz Capacity



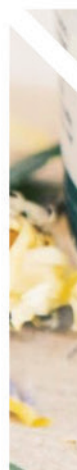
LEVO II

- ♦ Includes All Features Of LEVO I
- ♦ Drying & Activation Cycles
- ♦ WiFi Enabled & LEVO App Compatible
- ♦ Simple LED Interface For Total Control
- ♦ Child-Lock Option
- ♦ Ceramic-Coated Reservoir
- ♦ 20 oz Capacity

greenlane

NOT FOR SALE TO MINORS

WHOLESALE ORDERS CALL
877.292.7660 | GNLN.COM





THE Health & Wellness REPORT 2019

Product innovation, herbal combinations, changing demographics, and category shifts are trends to watch.



As if ordained by some Universal Wisdom, the stars have aligned to bring health and wellness markets to the forefront at precisely the same moment when interest in cannabis-, hemp-, and other plant-based products is at an all-time high. Whether called karma, miraculous, inevitable, hype, or all of those, the global cannabis epiphany is, without question, a boon to millions seeking alternative options and treatments in a world full of consumers who want to look and feel healthier than ever before.

The convergence also represents the most significant industrial market opportunity in generations. Trade conference Global Wellness Summit issues annual lists of worldwide trends for the \$4.2 trillion (with a T) wellness industry. For 2019, the organization predicted when cannabidiol—or CBD, the hemp-derived compound that's currently all the rage—becomes federally regulated, a tidal wave of new infused products and applications will ensue.

The report also predicts the endocannabinoid system (the body mechanism that interacts with cannabinoids, present in all mammals)

“will soon be just as talked about as the microbiome.”

Comparing cannabis chatter to the volume of discussion about “good bacteria” in the gut is a remarkable indication of how far the industry has come.

Non-psychoactive CBD is only one of more than 200 cannabinoids that can be extracted from cannabis. With slowly developing federal legislation and regulation for cannabis-derived substances in the United States, worldwide research and trials that has been delayed for almost a century is receiving considerable interest.

Market research firm New Frontier Data reported the global consumer cannabis market will be worth \$344 million in 2019, thanks to the purchasing power of 263 million consumers. At the same time, health and wellness manufacturers have gone back to the garden, with plant-

“When it comes to what’s trending in the cannabis women’s market, the question is ‘What *isn’t* trending?’”

—Alysia Sofios, Communications Director, Yummi Karma

► BASKIN SPORT

Sport travels easily to the gym, the field, or anywhere else that demands quick, active relief pre- and post-workout. Part of BASKIN Essentials’ hemp-derived CBD line, the product incorporates a patented process that introduces more than 80 percent of the infused CBD into the bloodstream over six to eight hours. 300mg active CBD in a 3oz tube; MSRP \$50. BASKINEssentials.com



Life Elevated



PAX[®]

The Complete Vapor Experience.



PAX 3 Complete Kit



PAX 3 Device Only



PAX 2

© 2019 PAX Labs, Inc. All rights reserved. Protected by issued and/or pending US and international patents: www.pax.com/intellectual-property-list

greenlane

NOT FOR SALE TO MINORS

WHOLESALE ORDERS CALL
877.292.7660 | GNLN.COM



► KIN SLIPS

A simple, discreet sublingual strip for precise dosage and rapid absorption, Kin Slips' botanically based blends contain full-spectrum cannabinoids, terpenes, and other natural ingredients. Targeted, trademarked formulations include Shut Eye, Float On, Cloud Buster, and Park Life. 5mg to 20mg THC per slip.

KinSlips.com



Edibles, overall, are popular with cannabis consumers who prefer ingestion to inhalation, but regulations for cannabis- and CBD-infused food and beverages vary from state to state.

based niches experiencing significant growth across sectors including food and beverage, beauty, leisure, and lifestyle.

Food and beverage makers, chefs, and foodies are searching the far reaches of the globe for exotic herbs and botanicals to add flavor and health benefits to their recipes. Aromatherapy once was limited to bundles of incense sticks at headshops or strange-smelling bottles at the health food store; today, aroma diffusers and essential oils are common alternatives to artificial scents and heavily perfumed air fresheners. Now, every grocery store is a health food store, as consumers turn away from overly processed items and on to locally sourced, sustainable, and organic fresh foods.

Delivery methods make a difference, too, according to Tamar Martiz, director of business development at BDS Analytics. She noted that, in general, tinctures and topicals with high-CBD ratios are consumer favorites, along with micro-dose products. “Whether it’s cannabis-based soaps, bath soaks, creams, make-up and, soon, more readily

available cannabis-based over-the-counter products such as sleeping pills and pain creams, we’re going to continue to see products oriented toward health and wellness continue to take share,” she predicted. “In fact, what the consumer is ultimately seeking is convenience, as well as a consistent and reliable experience.”

Consumers also seek products analogous to their mainstream favorites. “I think companies that are nailing the ‘it’s just like the one my mom uses, but cannabis-infused’ approach are seeing success,” Martiz said. “And with new innovation around delivery mechanisms like sublingual and transdermal, as well as developments around onset and offset time, we’ll continue to see more ‘familiar’ cannabis products hit the market to meet this evolving consumer demand.”

It’s a perfect storm of potential in an uncharted ocean for cannabis and hemp entrepreneurs and other businesses that can catch and ride the great Green Tide. With so many possibilities, which health and wellness trends and product categories are differentiating into important market sectors? The horizon seems endless.

‘LET FOOD BE THY MEDICINE’

Ancient Greek physician Hippocrates, the father of modern medicine, is credited with that quote. More than two thousand years later, he seems to be onto something. In the United States, where obesity and related diseases have steadily increased with the availability of ultra-

► **OM EDIBLES GUMMIES**
Delicate, sweet, floral, and fruity, Om’s Gummies come in Lychee Blossom flavor (THC-only) or Mélange Medley, which includes Red Raspberry, White Peach, Sour Apple, and Blood Orange flavors (available in THC, CBD, and 1:1). The gem-like gummies burst with light, natural flavor and keep users lifted. 5mg each. OmEdibles.org



Photo: Erin Scott



NANO5™

Nanomolecular Oral Spray

1MG
OF NANO5 =
5MG OF OTHER
TINCTURE
PRODUCTS



FASTER. STRONGER. MORE RELIABLE.



5 Minutes to Onset +



5x Faster Absorption +



90% Bioavailability =

NANO5 is 5x More Effective

Thanks to science, our nanoparticles offer the **highest bioavailability** delivery system in the industry, better than vapes, tinctures, capsules, or edibles. What this means is that the degree and rate cannabis is **absorbed into the bloodstream is faster and more efficient with NANO5**. Due to this high absorption rate, 1mg of cannabinoids in NANO5 is equivalent to 5mg of other tinctures, making it 5x more effective. Our solution achieves perfect dispersion so that each dose contains exactly the same amount of medicine, providing a **consistent experience**. With NANO5, you can Dose with Confidence. **Fast. Effective. Predictable.** Trust the science of NANO5.

ORDERS@SUNDERSTORM.COM

 nano5tech // sunderstorm.com // Sunderstorm Bay LLC, A12-18-0000054-TEMP

Green Lion Group, CDPH-10002689

► **THE GOOD STUFF
TONICS**

The Good Stuff's infused drinks provide a healthy twist on a popular American beverage. Natural Health Honey Lemonade and Strawberry Hibiscus Lemonade use organic ingredients, are sweetened naturally with honey and organic cane sugar, and include no potentially toxic preservatives like sodium benzoate. Products are manufactured using local organic ingredients. 100mg THC per bottle. GoodStuffTonics.com



processed convenience foods manufactured with artificial flavorings, preservatives, and unhealthy levels of natural ingredients like sugar and salt, consumer tastes are changing.

While you need a degree in Latin to decipher ingredients labels on many commonly consumed items, there's still lots of controversy—even in legal states—over whether naturally derived CBD extract or hemp oil can be added to foods and beverages or used as a nutritional health supplement for human ingestion. The Food and Drug Administration allegedly is working on a regulatory policy for hemp-derived CBD products, which already are readily available online and, at this point, in most major U.S. drugstore chains, high-end grocers, and several luxury retailers. The public and industry stakeholders were invited to submit comments to the FDA through July 2 as part of the pending standards process.

The FDA's slow regulatory process isn't holding back food and beverage manufacturers that believe healthy eating trends will overtake the market. Brands that marry traditional herbal medicine, specifically Ayurvedic and Chinese formulas, with cannabinoids are part of the

and a few brewers are producing hard kombucha with 4-percent to 7-percent alcohol levels, similar to hard cider or ale.

Good Stuff's sister company, Melior Botanicals, produces CBD-infused tinctures that can be taken sublingually or added to food and drinks. Grim said herbal combinations used in traditional Chinese medicine inspired the tincture formulas. "People talk about the entourage effect," he said. "So, why not combine the power of CBD with these herbs, which also produce beneficial effects?"

Lavender, chamomile, turmeric, valerian root, and black pepper are just a few of the all-natural botanicals Melior's tinctures incorporate. Chinese and Ayurvedic medical traditions, as well as holistic health practitioners, have attributed health benefits to all of them. Melior sources its CBD extract from Colorado-grown "whole plant" hemp and retains full-spectrum cannabinoids, terpenes, flavonoids, and chlorophyll.

Culturally, diet has been an essential component of Eastern medicines for thousands of years, with the first documented medicinal use of cannabis tea credited to ancient Chinese emperor Shen-Nung, circa 2,700 B.C.

There is almost no health-and-wellness segment that hasn't felt the effects of CBD, from lip balm to suppositories.

revolution. And they're moving beyond the two most well-known cannabinoids to incorporate others like CBN and THCA. The newly popular ingredients are gaining traction on labels in three-component ratios.

Dan Grim, co-founder and chief executive officer for Good Stuff Tonics, is all-in on natural, healthy ingredients for the company's line of beverages, prepared with organic juices and botanical ingredients including THC and CBD infusions. "We believe you don't have to sacrifice your body to get a buzz," Grim said. "Our drinks have a healthy edge—all-natural, organic ingredients you can understand with real, natural flavors."

Good Stuff offers THC-infused, "health-based" juice blends in natural honey lemonade, raspberry yerba mate, and strawberry hibiscus lemonade flavors. The company attempted to be first-to-market with cannabis-infused kombucha—the hugely trending tea that's fermented with yeast and sugar—but California regulations prohibit the addition of cannabinoids to beverages containing alcohol. Kombucha typically contains trace amounts of alcohol as a byproduct of the fermentation process.

In San Diego, where the company is based, kombucha is an evolving healthy craft beverage cottage industry,

Western consumers, who have been subjected to fad diets and processed foods for the past several decades, are increasingly interested in how diet affects health. According to Grim, consumers also are more openly curious about the health effects of consuming cannabis. "It's changing in a heartbeat, and we're glad to be part of it," he said.

Education is imperative, he added. "We believe in cannabis as medicine, so we love to answer those questions," he said. "When people come to us, they want to know 'what's the best CBD for me?' They want relief from pain, anxiety, or they want to sleep. CBD is perfect for them because it balances you, mind and body. It helps with sleeping and waking rhythms."

In June, Melior Botanicals expanded the brand's reach by opening its first retail kiosk at the Westfield Mall in Cerritos, California. Several more kiosks are planned for Westfield Mall locations throughout the state. For now, Good Stuff's THC-infused beverages are available only at legal cannabis dispensaries in California.

Edibles, overall, are popular with cannabis consumers who prefer ingestion to inhalation, but regulations for cannabis- and CBD-infused food and beverages vary



from state to state, and they're evolving. Trends in the making include catered events featuring cannabis chefs, as well as cannabis-infused mocktails to compliment infused meals.

In West Hollywood, California, which seems to have designs on becoming the U.S. version of Amsterdam, cannabis manufacturer Lowell Herb Company expects to open a rooftop restaurant in summer 2019, complete with expansive views, a cannabis-infused menu, and smoking and vaping allowed onsite. Nevada regulators also recently approved consumption lounges for Las Vegas; whether those will feature dining remains to be seen.

WOMEN GET WOKE

In 2018, Global Wellness Summit named "feminist wellness" an important-to-watch market opportunity, as women everywhere find themselves affected by the fast pace of modern life and all its expectations.

With more women earning higher incomes; post-millennials more willing to address issues like mental health, trauma, and abuse; and the demands of caring for extended families in addition to their own nuclear tribe, self-care is no longer a luxury indulgence—it's a lifestyle essential. Women recognize the connection between happiness and health and actively seek products that elevate their mood.

Traditionally, women also are earlier adopters of health

and wellness trends and savvy shoppers than men. It's no surprise cannabis and CBD infusions now can be found in everything from skincare and tampons to bath bombs and breath mints.

"It's exciting, because women are now using cannabis not just for health, but also for wellness and beauty—and it's about time!" Yummi Karma Communications Director Alysia Sofios exclaimed. "When it comes to what's trending in the cannabis women's market, the question is, 'What *isn't* trending?' It was only a few years ago that we were laughed out of the room when we said we wanted to create the first mainstream cannabis beauty brand for women. Luckily, we pursued it anyway and launched High Gorgeous. Today, there is so much demand that we're constantly in research and development."

The "we" to whom Sofios refers is the all-female executive team at cannabis company Yummi Karma LLC and its High Gorgeous infused beauty brand. Early operators in the legal cannabis industry, co-founding sister team Krystal and Chelsea Kitahara head up the company. They always have produced women-friendly products. The company's first success was a THC-infused tincture developed for the Kitahara's mother, who struggled with chronic insomnia. Called Drift Away, it's been the best-selling sleep tincture in California since its debut, according to Sofios.

"No question—the CBD-only market is flourishing,

► YUMMI KARMA CANNABIS DROPS

From sleep to anxiety to PMS relief, Yummi Karma's award-winning Cannabis Drops offer an effect for every need. Created by women, for women, each 1oz bottle contains approximately 30 servings. Natural flavors combine with cannabis and/or hemp in an MCT oil base. Stay Lifted, Drift Away, and Mood Magic: 300mg THC per bottle. One to One: 150mg THC, 150mg CBD. Four to One: 240mg CBD, 60mg THC. Twenty to One: 300mg CBD, 15mg THC. YummiKarma.com

CA COMPLIANT?



Get FREE "CA Universal Symbol" STICKERS with any Vape Cart purchase!

Available with purchase of 100 or more Vape Carts

As of July 1st, 2019, the California Department of Public Health will require ALL VAPE CARTRIDGES sold in the CA Cannabis market to have the CA Universal Symbol on the cartridge itself.

Be CA Compliant for FREE!

WHOLESALE

USA-BASED Full Color Printing
directly on Vape Carts or
Packaging is also available,

CALL NOW FOR A QUOTE!

(925) 405-5582

SALES@AIRVAPOR.COM



WAREHOUSE LOCATIONS:

SAN FRANCISCO BAY AREA • LOS ANGELES

► SWEET RELEAF BODY BUTTER

A whole-plant, terpene-rich mixture of THC for pain, THCA for inflammation, and CBD for enhanced effect, Sweet Releaf's Comfort and Comfort+ body butters are crafted to soothe mild to moderate pain and nourish the skin. Formulated with aloe vera, organic coconut oil, and shea butter, both products are infused with a 14:1 THC:CBD ratio. Comfort+ contains twice as much cannabis per application as Comfort.

SweetReleaf.com







but we're now seeing women coming back to products with THC because they simply work better together," Sofios said. "The science behind the entourage effect is real, and that's why we now offer high-CBD products with different ratios of THC in our new wellness, detox, and beauty drops."

High Gorgeous Cannabis Drops come infused in several ratios of THC to CBD and also contain vitamins and botanicals in three formulations, including Daily Dose, Fresh Start, and Inner Glow.

One might not equate sublingual tinctures with a cosmetics line, much less tonics infused with THC-to-CBD formulations. But if you believe in or seek inner beauty, a woman comfortable in her own skin is more attractive than one who is perpetually stressed, in pain, sleep-deprived, or in a bad mood. *Bliss is beauty.*

"Not only do women want THC products more than ever, but they want them to pack more milligrams," Sofios said. "We're rolling out a few new high-THC-only drops with our signature natural flavors to make them taste just like summer. We're also doing a lot of product research with other phytocannabinoids that we think will be just as popular as CBD in the near future."

As consumers, women move quickly through trendy products but can be very brand-loyal once they find a product or brand that resonates with them, feels

empowering, and actually works. "In order to be a successful brand in the new legal landscape, you have to stay relevant," Sofios said. "We love pushing the envelope—and women not only demand it, but they also appreciate it."

Cannabiniers also recently began pushing the envelope with a novel delivery system: pharmaceutical-grade transdermal cream with a patented rapid-release technology that delivers a high dose of THC within minutes. According to President and Chief Operating Officer Tim Walters, BASKIN GLOW delivers 81 percent of its payload over the course of six hours and cannot be washed, rubbed, or sweated off.

Other innovative brands in the infused beauty space include Hora Skincare, CannaSmack, Leela CBD Bodycare, Cannuka Skincare, and Kush Queen, just to name a few.

Upscale medi-spas are advertising CBD-infused massage and skincare services targeted at hip, holistically minded travelers and self-care enthusiasts. Fashion influencers like Kim Kardashian and blogs like Goop, owned by celebrity lifestyle influencer Gwyneth Paltrow, tout the benefits of CBD. Cannabis brand Lord Jones even managed to get its CBD-infused body lotion (available at Sephora) mentioned on the 2019 Oscars' red carpet as the remedy of choice for starlets' tired feet.

► STILLWATER BEVERAGES

Designed for relaxation, Stillwater's teas and coffee are crafted from organic leaves and beans plus coconut oil and cannabis distillates. Vegan, keto-friendly, and free of gluten, sugar, and GMOs, the beverages are infused with 10mg CBD and 0.5mg THC per serving. In Mellow Mint and Gentle Green teas and Clockwork Coffee. StillwaterBrands.life



The leader in cannabis business intelligence and market share tracking

It's simple. We provide answers. You make more money.

We answer the **WHO, WHAT, WHEN, WHERE, WHY, HOW MUCH,** and **WHAT'S NEXT** in cannabis.

“BDS Analytics has been a great partner from Day 1. The retail data they provide our business helps us in so many ways. We're able to track trends, more smartly merchandise our dispensary, and just make better business decisions all-around.”

Debby Goldsberry, Executive Director, Magnolia Wellness



Ready to build a successful cannabis business?

We recommend you subscribe to our industry-leading GreenEdge™ Platform which powers our retail sales tracking data, unrivaled cannabis consumer research, and industry intelligence reports and services.

And for dispensaries across the US, we are actively recruiting GreenEdge dispensary partners in medical-only and adult-use markets.

Contact us today to learn more.

info@bdsanalytics.com | bdsanalytics.com | 720.465.9692

PETS ARE PEOPLE, TOO

Cats and dogs are making it rain money: The American Pet Products Association estimates U.S. consumers will spend more than \$75 billion on pet care during 2019.

According to a study released by the American Veterinary Medical Association in 2018, 57 percent of U.S. households included a pet. Millennials are pro-pet, according to a 2018 TD Ameritrade study, with seven out of ten including a “fur baby” in the family. On average, millennial pet owners spend more than \$1,200 annually on their animal companions. It’s only natural that pro-cannabis pet owners might look at the herb as healthy for their pets.

“Cannabis can be very effective for chronic pain conditions such as arthritis and joint pain,” said Dr. Tim Shu, veterinarian and founder of cannabis-based pet care product company VetCBD. “The anti-anxiety properties of cannabis and CBD are excellent for separation and noise anxiety. Cannabis has anti-inflammatory properties, and we have seen many pets with allergies find relief through cannabis. The anti-nausea properties have been very useful for pets suffering from conditions such as kidney failure, chronic [gastrointestinal] disease, or cancer.

Animals can be affected by seizure conditions such as epilepsy, and we have many clients use our products to control their pets’ seizures.”

A pioneer in the cannabis pet-care space, Shu developed PetCBD’s flagship CBD/THC tincture to treat pets with serious medical conditions including cancer, seizures, extreme anxiety, chronic pain, and inflammation from arthritis. When he founded the company in 2015, very few U.S. veterinarians were knowledgeable enough to be able to advise their clients; in any case, state regulators still have not developed policies for veterinary use. California, where VetCBD is based, finally gave approval for vets to speak with their clients about cannabis-based treatments in 2018. At this writing, the state senate had recently passed a bill that would allow veterinarians to recommend cannabis medications to their clients.

“Many pet owners and veterinarians have seen firsthand how cannabis is able to benefit pets,” Shu said. “By allowing veterinarians to discuss cannabis with clients, the relationship between healthcare provider and patient is strengthened, as veterinarians can now provide the information needed for pet owners to make informed decisions on their pets’ healthcare.”

► BIDO CBD FOR PETS

From Curaleaf, this new pet line offers tinctures and treats so mammalian BFFs can maintain a healthful CBD routine. Often used for anti-inflammatory benefits, to calm anxiety, or relieve pain, tinctures can be added to pet food or cookies may be used as a treat. Infused treats come in bacon & peanut butter, apple & chicken, and honey & sweet potato flavors. 250mg in each 7oz package; 5mg per treat. MSRP \$39.99. CuraleafHemp.com





While the original VetCBD formula is available only in California dispensaries due to THC content, the company recently launched a hemp-derived, CBD-only pet tincture that's available online under the Dr. Shu's Pet Care label.

While Shu focuses exclusively on the pet health market—as do Canna-Pet, Treatibles, and Relievet—other cannabis brands have added pet products to their people lines. Pets can't make purchases, but their owners certainly might. Leading U.S. human-care manufacturers including Charlotte's Web and Dixie Brands, to name just two, have added CBD-infused products appropriate for two-legged and four-legged family members.

Lifestyle maven, dog and chicken breeder, and now cannabis entrepreneur Martha Stewart in February announced a partnership with Canadian multinational Canopy Growth to produce a line of infused pet care products. Stewart, whose mainstream pet products line already is available at PetSmart stores, has the kind of market clout that will help to normalize the industry for retailers and consumers.

HEMP: HOT, HOT, HOT

The hype around hemp-derived CBD promises the substance will be everything for every ailment. Projections suggest the global market will be worth \$22 billion by 2025. As it stands, there is almost no health-and-wellness segment that hasn't felt the effects of CBD, from lip balm to suppositories.

Hemp seeds (a raw material for industrial hemp oil) have long been considered a "superfood," packed with amino acids and plant protein. The seeds are included in granola and birdseed blends, ground up in protein powder, and used to make vegan cheese and hemp milk. Because hemp, unlike its varietal cousin marijuana, contains only trace amounts of the psychoactive compound THC,

U.S. officials have allowed the use of hemp seeds as a consumable for decades. In fact, the U.S. is the largest global importer of hemp products from countries like China, France, and the Netherlands, where hemp crops were legal long before they were legal here.

"U.S. federal prohibition [of hemp] doesn't exist anymore," said Chris Husong, director of marketing for multinational CBD manufacturer Elixinol. "As of the new farm bill, it's been moved down to the lowest schedule possible, the same as cough medicine. So, we've experienced a huge growth in our market [in the U.S.] and prohibition is primarily lifted in the United States.

"The challenge right now, with the FDA asking for comments from everyone... We're helping them with guidelines and giving comments on how they can add regulation and transparency for people who are in the industry and for major retailers who are carrying products, so they know there's a consistent labeling recommendation or regulation on serving sizes or country of origin or 'full spectrum' versus 'isolate'—those types of things," he added.

Founded by Paul Benham, an Australian hemp tycoon and natural foods pioneer, Australia-based Elixinol Global offers international distribution, wholesale orders, white-labeling, drop shipping, and an affiliate program. The company's range of products includes topicals, tinctures, edibles, powdered isolates, and capsules in packaging that looks in line with any drugstore wellness brand.

Consumers are hurrying to catch up with the CBD trend. With so many products already available and little education about the science behind the products or the endocannabinoid system, many potential consumers are wary and skeptical of too-good-to-be-true claims for benefits that have yet to be proven.

Cannaisseur Brands developed its CBD Essentials First Aid Kit to show shoppers how CBD's anti-

► **GOFIRE HEALTH SUITE**
The patented Gofire Inhaler works with SMART Cartridge THC and CBD concentrates, enabling precise dosing while patients monitor their results via the Gofire app. Developed with medical-grade materials for eventual FDA approval.
Gofire.co

inflammatory and antiseptic effects can be used as a remedy for everyday aches and pains. Simple products including lip balm, pain-relief cream, massage oil, bath salts, and a transdermal patch allow consumers to experience several different types of application.

“We come from a background of medicine—or wellness, I should say,” said founder and Chief Executive Officer Aryn Sieber, who was a 9/11 first-responder. “My story: I’m a stage four cancer survivor, so everything we do and where we are—we are wellness, which differentiates us in our products from pretty much 90 percent of the field out there. The topicals were all born out of topicals I used and developed going through my cancer treatments. My background is I’ve been a grower for more than forty years.”

Like many of his colleagues, Sieber feels some manufacturers have infused products with CBD as nothing more than a trend-chasing sales tactic. They are doing an injustice to seriously ill consumers, as well as businesses that offer tested, legitimate products. Like many other cannabis and CBD entrepreneurs, he stresses consumer education as a way to combat negative experiences with infusions that don’t deliver.

“If somebody comes in with chronic pain, it’s like, ‘Listen, these topicals would be a great relief temporarily. But you may have something—osteoarthritis, whatever—that you might want to dig a little deeper [about], and here’s a source where you can find more information that’s credible,’” Sieber said. “I just don’t have enough breath in this world left to BS people, which is why a lot of people that are sick, what I say resonates with them because I’ve been there.”

Cannaisseur also operates the nonprofit CannaCauses Foundation, which provides CBD formulations to patients and tracks their medical condition, symptoms, and progress with infused medicinals. Community outreach goes beyond being trendy and is an essential component of company culture for many cannabis companies.

“We *are* wellness,” Sieber said. “That’s where we come from, and our products are about the therapeutic value... This is for people who have chronic pain, muscle and joint pain, aches, or something that just is chronic or severe. And it’s a great starting point to educate them. That’s where it all starts.” *mg*

Rob Hill contributed to this report.



5 Top Trends

Use this intel to inform your 2019 strategy.

CANNABIDIOL

CBD is the big word for 2019. The market for marijuana’s non-psychoactive cousin exploded in January following passage of the 2018 Farm Bill, which de-scheduled the substance. Now widely available on mainstream pharmacy, grocery, boutique, and convenience store shelves, hemp-infused products are expected to generate \$16 billion in annual sales by 2025, according to New York investment bank Cowen & Co. The figure represents a monumental leap over the \$2 billion by 2022 analysts predicted last year.

FRAGRANCES

Cannabis scents have come a long way from the traditional “skunk.” Today’s cultivars exhibit a wide variety of notes, including fruit, berries, and pine. All play well with more traditional aromatic elements like lavender, citrus, clove, and sandalwood. Consequently, cannabis essential oils increasingly are showing up in perfume, candles, and aromatherapy products. Effects run the gamut from energizing to erotic and calming.

TERPENES

Far from mere olfactory impact, terpenes also provide flavor and therapeutic effects. Cultivators and processors are combining terpenes and manipulating concentrations in ever-more-creative ways to produce a

striking variety of targeted products for recreational and medicinal markets. Bartenders and chefs are pushing the trend in a different direction, with signature mocktails and cannabis-infused menus for everything from appetizers to desserts.

BEVERAGES

Cannabis-infused nonalcoholic beers and wines are on the rise, as are bottled waters, energy shots, fruit-flavored drinks and powdered drink mixes, kombucha, teas, and coffee. Both THC and CBD products are on the market, although CBD-infused beverages are receiving more attention because they’re more widely available. BDS Analytics expects cannabis-infused beverage sales to top \$374 million by 2022—roughly ten times the category’s revenue in 2018.

SENIORS

Millennials currently compose the largest segment of the recreational market, but Baby Boomers are rising fast in both recreational and medicinal use. According to BDS, 67 percent of seniors consume for health and medical reasons and are much more likely to identify aches, pains, and other challenges as reasons for embracing weed. However, 60 percent of Boomers also say they enjoy cannabis in social situations.

—Sue Dehnam



PREMIUM PRODUCTS YOUR CUSTOMERS ARE LOOKING FOR

VAPORIZERS • GRINDERS • PAPERS • GLASS • ACCESSORIES

WHOLESALE ORDERS CALL 877.292.7660 | GNLN.COM

NOT FOR SALE TO MINORS



Special Thank you
sponsor:

Raising the Bar

The International Cannabis Bar Association represents the attorneys who represent the industry.

The cannabis reform movement has travelled a long and winding road in pursuit of freedom, liberty, and justice. The ultimate goal: the end of prohibition and expungement of criminal records for those whose lives were upended by the failed war on drugs. Grassroots public opinion has tipped the scales in the industry's favor over the past several years, but much remains to be done. Because cannabis containing THC remains illegal at the federal level, laws and regulations compose a state-by-state and municipality-by-municipality patchwork of legislation. State and local authorities frequently shift regulations and requirements, making compliance a headache at best and a nightmare at worst.

The International Cannabis Bar Association (INCBA), formerly the National Cannabis Bar Association, aims to connect the legal dots for companies and individuals working in the industry. Like growers, processors, and retailers, cannabis attorneys are pioneers of a sort, building the legal structure of the industry from the ground up.

INCBA was formed in 2015 "by a group of attorneys in San Francisco who recognized the legal community supporting the business interests of the cannabis industry needed a better way to connect, learn, and establish best legal practices for the industry," Executive Director Chris Davis said.

Davis grew up in Berkeley, California, a fitting environment for an attorney who eventually would join a movement fighting for social and legal reform. During the 1960s, activists made the University of California, Berkeley, the epicenter for several social movements that were considered radical at the time. The city and campus still are considered a primary hub for activism.

After law school, Davis moved to New York City, where he and a colleague attended a cannabis continuing education symposium. The event shattered

Photo: Mitchell Straub Photography

BY DANIEL REED

his assumptions about the industry. “A group of eminently professional people filed into the rooms, and we were met with a series of panels that were informative and riveting,” he said. The event introduced him to future INCBA teammates: Shabnam Malek, founding president and current board member; Henry Wykowski, current general counsel for the association; and Lara DeCaro, a founding member. Wykoski spoke about Internal Revenue Code Section 280E, which prevents cannabis businesses from claiming tax breaks to which other small businesses are entitled. Malek spoke about intellectual property and branding within the cannabis industry, and DeCaro addressed issues small businesses face. Davis found his new home. “I was hooked,” he recalled. “I was expecting the hippy roots I remembered from Berkeley to come out in full force, but these attorneys were just as comfortable educating a room full of New York lawyers as they were hobnobbing with local pot growers in California.”

Thus impressed, Davis volunteered to write relevant legal articles and organize events in New York. After moving back to California, he assisted friends and family in acquiring cannabis business licenses *pro bono*. “The leadership of INCBA recognized me as a viable executive director, and the rest, as they say, is history,” Davis recalled.

INCBA serves as a centralized hub for attorneys who work with cannabis businesses. “Our primary goal is to make the practice of law more secure and efficient while making the professional lives of our members just a little bit easier,” Davis explained. To accomplish those goals, INCBA provides networking opportunities, education, and other resources. “We host social events where attorneys can come to meet and discuss professional issues that are facing their practice,” he said.

Four times a year, the organization hosts events focusing on specialized areas of practice, including regulatory and compliance issues vitally important for operators in the industry. Members of INCBA qualify for Continuing Legal Education credits at those events. Attendees at the organization’s annual Cannabis Law Institute in New York may choose from multiple tracks. Online forums also are available for members to discuss legal issues.


Of course, social justice is rarely a fight won within a single generation. “We have student resources to connect students with practicing attorneys to help train the next generation of lawyers,” Davis said. INCBA also sponsors student chapters at the University of Denver’s Sturm College of Law, University of Florida School of Law, and at the University of San Francisco School of Law. Davis has noticed interest from students as well as administrators, likely recognizing well-groomed attorneys in the field will be greatly needed in the future.

Building a network of attorneys and students across the country may be the best chance to make progress on the biggest legal challenges facing the cannabis industry. One of the biggest, at the moment, is lack of access to financial services. Thankfully, Davis said, we may have turned a corner on that front. “We have seen roughly 500 banks across the country get involved in the industry,” he said. “More and more federal lawmakers see the value of encouraging aboveboard banking in the cannabis industry.”

Other challenges revolve around the disastrous—and continuing—consequences of the failed war on drugs. “Criminal justice expungement at a local level should continue to be a priority,” Davis said. For those unfairly victimized by archaic drug laws, a clean legal record is simply not enough. “We need to keep in mind that remedying past criminal wrongs is only half of the equation,” he said. “We also need to create economic opportunity going forward. Historically disadvantaged individuals should be playing a role in this new economy.”

Cannabis laws involve much more than consumption rights. In 2017, INCBA filed its first *amicus* brief as an organization, joined by the Reason Foundation, Law Enforcement Action Partnership, Henry Wykowski Esq., and the Association of Cannabis Professionals. The appellate case involved one of its own founding members: Jessica McElfresh, who stood accused of concealing evidence during an investigation of her clients for allegedly unlawful cannabis production. The San Diego District Attorney’s office seized her electronic devices and claimed all files on the devices were covered by a search warrant. A judge sided with the district attorney, ruling all communications with any clients, whether related to cannabis or not, were subject to review by authorities.

The case had the potential to make fundamental changes in attorney-client relationships. Ultimately, the charges were dropped and McElfresh’s privileged communications remained private.

Davis said INCBA and its members still have a lot of work to do on behalf of an industry striving to legitimize and legalize, as well as on behalf of citizens victimized by archaic punishments for non-violent crimes that no longer are even crimes in some jurisdictions. But the legal environment gradually is bending ever farther toward justice. “The train has left the station,” he said. “There is still a ton of work to be done, but you cannot put a lid on the fastest growing economic driver in the country, and we should not want to. We need to consider how we want these markets to look, and we should shape policy to reflect the values that we want this industry to reflect.” 



MILE HIGH LABS™



CBD Extraction Elevated

Mile High Labs is setting the standards for cannabidiol (CBD) ingredient manufacturing. Our proprietary process yields some of the most scientifically advanced CBD available while supplying a considerable portion of the world's overall market. Mile High's industrial-scale laboratories and private labeling services are trusted by global partners who understand that compliance, consistency and quality are critical to success.

Learn more at milehighlabs.com or by calling 833.225.2429





Using Technology to Set a New Bar for Customer Experience

Let's face it: 2020 is approaching faster than a freight train. And as the cannabis industry continues to grow at breakneck pace, the face of the modern cannabis consumer is evolving just as quickly.

The tidal wave of legal reform and cultural acceptance we've seen over the past decade is driving diverse populations to dispensaries in droves. New and emerging markets across North America mean booming business for retailers—but they also mean keeping up with demographics, needs, and expectations of contemporary customers.

In order to attract and retain new consumer segments, retailers must redefine the cannabis shopping experience and reframe the way in which customers think about consumption. That's a tall order—but

the good news is cannabis retail technology has made it easier than ever to elevate the customer experience and bring life to new, creative, and inspiring ideas about a cannabis-infused lifestyle.

Here's a look at how modern dispensary technology is helping retailers refresh, revamp, and revitalize the cannabis customer experience.

FREEDOM CUSTOMERS TO SHOP THE WAY THEY WANT

At ECO Cannabis in Oakland, California, dispensary technology is empowering customers with the freedom to shop in a way that's best suited to their unique needs. Patrons may choose to be ushered about the sales floor by one of ECO's "experience guides"—front-line staff members who

provide one-on-one assistance, answering questions and making recommendations.

Alternatively, ECO customers may head to the Cova self-service kiosk to browse products and make purchase selections on a touchscreen menu. Once their order is placed, these customers—typically experienced shoppers who know what they're looking for—can head to the express checkout, skipping the traditional line for an expedited purchasing process.

Additionally, ECO offers online ordering for in-store pickup, giving customers the ultimate flexibility for a comfortable, efficient experience.

TURNING BUDTENDERS INTO ROCK STARS

At Hunny Pot in Toronto, the shopping experience more closely resembles that of an Apple Store than it does a traditional dispensary. Customer IDs are scanned upon entry for a quick and painless check-in. Customers may opt out if they don't want their data stored in the system for privacy reasons. From there, a budtender equipped with a mobile point-of-sale terminal guides customers through the store and assists in product selection.

Hunny Pot patrons are treated to a one-on-one, on-the-floor consultation right in front of the product, and budtenders easily can reference detailed information, including current inventory and pricing, right on the spot with their device. Once the order has been finalized in the mobile POS, it's fulfilled in the back, and the customer simply pays and picks up their purchase at the register.

Not only does this technology help Hunny Pot staff members provide exceptional service, but it also enables new-hires to get up to speed and on the sales floor more quickly. Instead of memorizing product details, budtenders can focus their time and energy on building relationships with customers and helping them find the best solutions for their needs.

REIMAGINING CANNABIS CONSUMPTION

Along with offering customers more freedom of choice and enabling budtenders to provide a higher level of service, dispensary technology is helping redefine the ways in which consumers think about

incorporating cannabis into their lives. The fact is, most new consumers aren't interested in simply getting high. They want to enhance their well-being, optimize their health, and enrich their daily experiences and activities.

Reimagining cannabis consumption begins by shifting the conversation from a medical and recreational focus to one of wellness and lifestyle. The dialogue shift starts with front-line staff and the questions they ask of customers. "What type of experience are you looking for today?" and "What occasion are you shopping for?" are great ways to kick off a new client consultation. From there, budtenders can steer the conversation toward the customer's lifestyle, needs, and expectations.

Once customers are talking about cannabis in a different way, new ideas can be reinforced with other retail elements like product categorization and merchandising. Instead of grouping products in terms of strains or symptoms, consider categorizing by mood or occasion. Long-time patients and veteran consumers already appreciate the ways in which cannabis can enhance and enrich life's experiences, but newcomers need guidance in this area, which creates near endless possibilities for outside-the-box product


positioning and merchandising.

Prairie Records, a Canadian dispensary chain, has rooted its retail motif in the inherent connection between cannabis and music. This theme is reflected in everything from design to the in-store experience, where customers can explore products that pair well with their musical preferences.

Canadian retailer Spiritleaf also helps customers connect cannabis consumption with their favorite musical styles by offering curated playlists.

Technology such as digital dispensary signage and touchscreen menu kiosks help bolster this type of messaging by providing powerful imagery and video content that presents cannabis consumption in new and exciting ways.

THE FUTURE OF CANNABIS RETAIL IS HERE

The bottom line is this: As the dawn of a new decade approaches, consumers are seeking a different kind of cannabis experience. Retailers who incorporate dispensary technology stand to help these customers envision a healthy, well-balanced, cannabis-infused lifestyle while providing a more sophisticated shopping experience. 



MIGHTY FAST HERBAL INFUSER™

Infuse Butter & Oil in Just 45 Minutes



The Ultimate Edible Making Machine

Makin Butta™



1-844-344-6400
theherbalinfuser.com



Dr. Raphael Mechoulam, the Godfather of Cannabinoid Research

Now in his 80s, the venerated scientist who isolated THC and CBD is still fascinated by the endocannabinoid system—and still researching.

If Raphael Mechoulam's life's work hadn't focused on a globally prohibited and vilified plant, his might be a household name today. As the first scientist to isolate CBD and THC in the early 1960s, Dr. Mechoulam became a folk hero in the underground cannabis sphere—a status with which he is clearly uncomfortable. But it was his subsequent contribution to discovery of the endocannabinoid system—implicated in an entire spectrum of health and disease states—that is his crowning achievement. Yet even today, decades after its discovery, the endocannabinoid system remains largely under the radar within the mainstream scientific community. We can only hope prohibition surrounding cannabinoid research will end in his lifetime, and the octogenarian scientist will receive his deserved recognition.

Mechoulam was born in Bulgaria in 1930 into a distinguished Sephardic Jewish

family. With the outbreak of WWII, the family was uprooted, and his father was sent to a concentration camp. After the war, the reunited family emigrated to the newly established State of Israel. Young Mechoulam's formal education, severed during the war years, resumed with his study of chemistry at Hebrew University in Jerusalem.

As a young biochemist, Mechoulam was intrigued to discover that, while active compounds from poppies and coca leaves long had been isolated and exploited, the cannabis plant remained relatively untouched. If cannabis was an unopened book, he was determined to crack it.

With his facility with languages, Mechoulam was able to read obscure nineteenth century scientific papers on cannabis in German, French, and Russian. More contemporary scientists had identified key components of the cannabis plant, but their vision was limited by the technology of their times. Mechoulam, however, had access

to an early version of a nuclear magnetic resonance (NMR) spectrometer, which could separate the large number of constituents in cannabis.

Historically, cannabis was integral to Middle Eastern culture, and it wasn't difficult for Mechoulam to obtain a hefty sample of smuggled Lebanese hashish from the police for analysis. Supported by a team of collaborators, he made history by isolating both CBD and THC, the two main cannabinoids (a term he coined) in the cannabis plant.

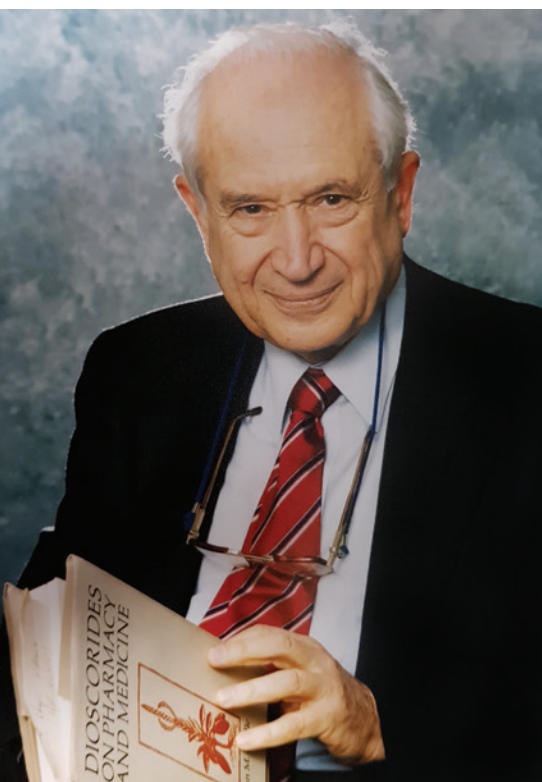
The availability of these cannabinoids in their purified form enabled Mechoulam and other researchers to locate the receptors they trigger in the brain and eventually identify similar endogenous cannabinoids produced in the human body. These findings led to the elucidation of the endocannabinoid system, now recognized for its role in a wide range of bodily functions from sleep and pain to inflammation and appetite. The groundbreaking discovery opened an entirely new field of cannabinoid research with profound and widespread therapeutic potential. In 2007, Mechoulam predicted: "I believe the cannabinoids represent a medicinal treasure trove which waits to be discovered."

Now in his late eighties, Mechoulam continues to blaze the cannabinoid research trail, and his laboratory at Hebrew University is a lively hub of international collaboration. I had the opportunity to meet him there one blustery winter afternoon, where, in fluent English and with a wry sense of humor, he discussed his life's work and focus on the future.

WHAT ARE YOU WORKING ON IN YOUR LAB THESE DAYS?

We work on several topics. One of them is the large cannabinoid field. About fifty years ago, in collaboration with friends, we identified many of the major constituents of the cannabis plant and their structures. But that's old stuff.

We still continue to do a little bit of work in that area with new compounds. For example, the cannabis plant does not produce THC or CBD; these are secondary



“As the first scientist to isolate CBD and THC in the early 1960s, Mechoulam became a folk hero in the underground cannabis sphere.

products. It produces acids, which are not stable and therefore have not been investigated thoroughly.

So, we decided to go back and look at one of the acids, CBD acid, and stabilize it—a simple chemical process. We asked some of our friends to test it, and they found it is a very potent compound. We don't know to what extent it parallels the activities of CBD, but [in rats] it acts on depression. We have published a paper or two on the acid and continue exploring that line of research.

Anandamide

The work on the plant material was more or less completed thirty-five years ago. But one thing was not known at that time, and that was the mechanism of action. A friend of ours found and published that there is a cannabinoid receptor in the brain [that is activated by THC]. We surmised these receptors don't exist in our brain just because a plant produces compounds that activate them. This led us to look inside the body to find similar compounds that target those receptors. So, we looked at

compounds our mammalian body produces and found two: anandamide and 2-AG. There has been a lot of work by our group and other groups around this.

Anandamide is a very basic compound and together with its receptor, they form the endocannabinoid system. A group at NIH [the National Institutes of Health in the United States] published a review indicating the endocannabinoid system and the endocannabinoids we discovered are involved in essentially all human diseases, which is quite a big statement. This stage of research we considered to be the second step.

Anandamide-like compounds

Now, our body is lazy, and if it knows how to do something, it will use the same mechanism to make additional compounds so it doesn't have to waste energy. The mechanism that is used for synthesis of anandamide involves the binding of a fatty acid to a derivative of an amino acid, and our body has a lot of fatty acids—about twenty—and a lot of amino

acids—also about twenty. So, you have many possibilities there. Our body uses this mechanism to create many additional compounds which are “anandamide-like compounds.” And this is the third phase. Our present work is mostly involved in studying anandamide-like compounds which the body produces.

Our body doesn't make these compounds because it has nothing else to do. It makes them because they are needed. So, we looked at compounds of this type and we found, for example, two of them mitigate damage to the brain. If the brain is injured, our body tries to lower the damage, and it produces one of these compounds, and we have published that... This is a major thing because, after all, a lot of people get concussions, particularly in the U.S. where kids are sent to play football.

Osteoporosis

Then we looked at additional anandamide-like compounds, and it turned out that one was useful against osteoporosis. You see, I like to read all kinds of irrelevant papers. There was a paper by a Greek group that said women in the Mediterranean region have less osteoporosis than women in the northern regions. And they said it was because of olive oil, which contains oleic acid. So, we took olive oil, removed the oleic acid, and tested it, and nothing happened. Then we thought maybe our body makes a derivative of oleic acid. So, we worked very hard on that, and ultimately, we found the derivative—an anandamide-like compound—which most definitely is a very potent anti-osteoporotic compound.

Women over the age of 50 to 55 have hormonal changes that cause all kinds of problems, one of them being osteoporosis. One would think all women should have osteoporosis, but they don't. And the reason is because they seem to be making this particular anandamide-like compound, and it works against osteoporosis. So, we worked pretty hard on that.

Addiction

Just to complete that, we also have an interest in addiction. I was a little bit

surprised that, with addiction, essentially all research is done on the addicted people or addicted animals and not on those that do not get addicted. Our body, our brain, looks at addiction as a disease. And if it finds there is a disease, the body will try to find a way to fight it. We have an immune system that fights disease. We have all kinds of constituents in our bodies that fight diseases—so why not addiction, if it is a disease?

We decided to look at the possibility that our body has a way to try to fight addiction. And, indeed, there isn't a single compound that causes everyone to become addicted. Many do, but many don't. So, we started looking and again we read all kinds of strange papers. There was a paper from about ten years ago about a person who was strongly addicted to tobacco, who was in a traffic accident, and a part of his brain was injured—and then he was no longer addicted.

Since nobody volunteered to have his brain damaged—very strange—we took mice and caused damage to that particular part of the brain. In this case, it was a collaboration with a group from the U.S., in Richmond, Virginia, a group from Canada, and a group from Italy... And we found that, when injured, that part of the brain in mice produces an anandamide-like compound that blocks nicotine addiction and also blocks the withdrawal symptoms both of nicotine and of heroin.

So, we are working on addiction now, and this is what we call the third stage of cannabis research. The first stage was phytochemistry, the second the anandamide work, and the third is anandamide-like compounds that do all kinds of things.

It so happens that we are working in a field where very few people are involved, and we are happy to be alone in that. They will be, in ten years' time, but not yet.

OVER THE COURSE OF YOUR LONG CAREER, WHAT THING WAS MOST EXCITING OR MADE YOU PROUDEST OR MOST PLEASED?

I'll put it in a different way. Probably my most important contribution to science has been the discovery of anandamide and



In 2006, Mechoulam received an honorary doctorate from Complutense University in Madrid, one of the oldest universities in the world.

the endogenous cannabinoids, which have been shown to be of extreme importance to us. More than the identification of THC and so on, which is important, but is still just a plant.

SO, THE PLANT WAS REALLY JUST THE MEANS THAT HELPED YOU ARRIVE AT SOMETHING MUCH LARGER.

Well, like any major thing in science, it goes from stage to stage. I look at anandamide as the second stage and the anandamide-like compounds as the third stage. But those are just definitions.

DO YOU FEEL LIKE THIS IS THE TIP OF THE ICEBERG?

It might be.

THE UNITED STATES HAS NOW DISCOVERED CBD, AND PEOPLE ARE TOUTING IT FOR EVERY CONDITION YOU CAN IMAGINE.

Isn't there a saying that money is the root of all evil? If people can make money out of something they don't know anything about, what's wrong with that?

I HAVE TO ASK THE GENTLEMAN WHO FIRST ISOLATED CBD: HOW DO YOU FEEL ABOUT THAT?


It's a compound. That's what people are using. We published the structure of CBD

way back, fifty-five years ago... I'm glad people know about it. Nobody knows what it does, but that's okay. Luckily, it's not going to hurt anybody.

NOW, 55 OR 60 YEARS LATER, WHERE DO YOU SEE THE PROMISE? WHAT MAKES YOU OPTIMISTIC?

Two things: One is the clarification of a new bodily system—a biochemical system of major importance. And the other thing is opening the area for novel drugs. We still don't have novel drugs. CBD is being sold as a drug, but it's not yet an established one. So, it's an opening to a new area. CBD was approved after a good clinical trial. Epidiolex is essentially pure CBD with just a very tiny amount of THC, because they are extracting it from a plant.

AT THIS POINT IN YOUR CAREER, DO YOU FEEL LIKE YOUR RELATIONSHIP WITH THE PLANT IS ANCIENT HISTORY?

No, as I said, I am still working on a topic that hasn't been researched thoroughly, and that is cannabinoid acids. And I'm still involved in that. The actual compounds that the plant produces—it's important to look at them. One can act on depression in mice. But we're not mice. 

This interview was shortened and edited for clarity.



Plastic Packaging Tips

Avoiding pitfalls is much easier than fixing mistakes.

Why is packaging so important for cannabis businesses? In addition to protecting and securing products, packaging is consumers' first impression—a reflection of the brand. In some ways, the packaging *is* the product.

Low-quality cannabis packaging can result in long-term consequences. Exposing customers to risk, decreased trust in the brand, and lost sales are just a few of the potential problems. While mature companies may be able to weather an occasional misstep, mistakes can kill startups before they've had a chance to prove their products' merit.

The truth is, no matter what type of packaging you choose for your cannabis product, problems can—and most likely will—arise at some point. Identifying potential pitfalls at the outset so customers and your bottom line are not affected is imperative. Lost sales and lost consumer confidence can be avoided.

COMMON PROBLEMS

Issues can present themselves in the structure

or composition of plastic packaging. Watch out for these common missteps.

Uneven bottle top

One of the most important parts of a plastic bottle is the seal at the top. Uneven manufacturing can result in an improper seal, which increases the chance of product contamination.

Additionally, a defective top can prevent the cap and bottle from working together properly, making the package unsafe around children. Legal states are putting more emphasis on child-resistant containers. Getting ahead of regulations by working with a responsible partner to design and manufacture packaging that meets or exceeds requirements will increase the security of your product and instill trust in your brand.

Carbonized resin

Carbonized resin, or material trapped inside the resin, can make plastic bottles appear cloudy or dirty. Packaging that appears

dirty or contaminated can erode consumer confidence—which, of course, reduces sales.

Wrinkled or illegible labels

The label introduces your brand and products to potential customers. Illegible labels don't make a good first impression. Raised side parting lines can lead to abrasion, and excessive side taper can result in uneven or wrinkled labels. Both decrease readability and make your product look sloppy and unprofessional.

WHAT TO LOOK FOR IN A PARTNER

Partnering with a packaging manufacturer that addresses several common issues is essential to attain your goals.

Unnecessary waste

Subpar plastic bottle manufacturing can lead to inefficiencies and wasted materials. This reduces profitability and negatively impacts the bottom line. Throwing out packaging when



problems are identified on the filling line is never ideal.

New cannabis businesses should be careful to select a packaging partner that emphasizes quality control throughout the manufacturing process. This will ensure proper bottle specs and pleasing aesthetics; packaging won't appear damaged to potential customers.

Country of origin

Where cannabis packaging is produced is an important, but sometimes overlooked, consideration. Impurities introduced to the resin at some overseas facilities could affect the products within the packaging. Ensure packaging partners have documentation of origin and comply with complex U.S. Food and Drug Administration regulations. Bottles must be manufactured under strict guidelines to guarantee customer safety and brand integrity. Doing so will minimize risk and facilitate long-term business success.

Regulations

The cannabis industry is growing quickly and faces many complex regulatory challenges, including regulations for packaging. Many states have their own unique cannabis packaging requirements to which companies must strictly adhere.

It's essential your cannabis packaging partner not only manufactures bottles and

Aspects such as safety, branding, and compliance all should be considered when selecting packaging for a cannabis product.




closures that meet your needs, but also complies with regulations. Doing so will help your cannabis business reach its goals, build consumer loyalty, and increase revenues.

Strength and integrity

Aspects such as safety, branding, and compliance all should be considered when selecting packaging for a cannabis product. Packaging should be an asset for your business. It should instill trust in customers and create a good first impression. High-quality plastic packaging can help establish and grow brands.

Companies can get the most value from their packaging by selecting packaging partners that have engineered defect-producing issues out of their manufacturing process. For optimal product safety, packaging must be virtually perfect each and every time. Consistency, in terms of shape, size, and design, will reduce waste and minimize potential risks.

As a cannabis business, your brand is more than just your logo and company name. It identifies who you are and reinforces the integrity of your product. In growing markets, it's important to showcase product quality. Take a look at your own cannabis packaging. What message are you sending? 

Entry Level

Internships can work for both employers and job seekers.



Internships help workers develop new skills, according to springbig's Natalie Shaul.

Internships are a rite of passage, a way to get a foot in the door and, for workers transitioning from one industry to another, an opportunity to experience the requirements and demands of a permanent position.

Help-wanted ads seeking interns are relatively common. Recent postings for positions at CannaSafe and Leaflink, respectively, included “The Lab Assistant is responsible for maintaining an orderly and sanitary lab environment at all times” and “Help our growing design team create assets for visual marketing campaigns, including email templates, sales collateral, social media content, and landing pages.”

Natalie Shaul, vice president of marketing at springbig, which administers dispensaries’ customer loyalty programs, said internships can help aspiring cannabis professionals acquire a wide variety of skills. “I think an internship can help anyone who wants to get into the industry,” she said, adding a caveat: Even though internships create new skills, workers should apply for

positions that match their interests and abilities. Employers must screen prospective interns using the same criteria, but allow flexibility. “Sometimes interns aren’t sure what they want to do, so we will let them float between each of the departments,” Shaul said. “Interns will be immersed in everything.”

Squire Velves has a more specific vision for interns at High There!, a social platform that connects cannabis enthusiasts. “We’re looking for driven people with an interest in data mining, marketing, web [operations], advertising, and sales,” said Velves, who serves as chief operating officer.

Although accredited universities have begun offering curricula created to address the needs of students who aspire to enter the cannabis workforce, few training programs prepare participants for the realities of the industry. “Our internships provide real-world experiences in a very competitive industry,” Velves said. “Interns in the cannabis industry today will actually help shape the future of the business.”

Some internships offer participants opportunities to develop skills that are as applicable in the mainstream as they are in cannabis. At New-York-based public relations firm Mattio Communications, interns learn from individuals who succeeded in other industries before making a transition. Although significant challenges confront PR professionals in the cannabis space, workers at Mattio learn skills they can use to gain full-time, permanent employment in any industry.

“Interns are involved in a variety of general activities to help our business run smoothly,” said Talent Acquisition Leader Regina Rear-Connor. “We are a small, fast-paced, agile team. As a result, we all get involved in a variety of functions. Every member of our team plays an important role in our success. In the process, they will learn a lot about public relations and the cannabis industry.”

Managers make the difference between internships that serve both the company and the individual, and positions that leave something to be desired on one or both ends. Heather Smyth, director of marketing at Würk, a company that provides human resource services for cannabis companies, said employers must have a clear vision of the scope of the job and be able to communicate expectations up-front.

“Create a job description, onboarding plan, and thirty-, sixty-, and ninety-day” milestone evaluations, she advised. “This sets expectations

PREMIUM EXTRACTION SOLVENTS

IRIS
LAB SOLUTIONS

+1 424 331 5441

INFO@IRISLABSOLUTIONS.COM

IRISLABSOLUTIONS

- ✓ CULTIVATION SOLUTIONS
- ✓ EXTRACTION GASES
- ✓ FILTRATION MEDIA
- ✓ PREMIUM VACUUM PUMP OIL



CULTIVATION SOLUTIONS

pH UP

pH DOWN

ISOPROPYL

H2O2



- ✓ FREE TECH SUPPORT
- ✓ BEST PRICE GUARANTEE
- ✓ SAME DAY SHIPPING
- ✓ COA'S ON ALL PRODUCTS

IRIS LAB SOLUTIONS stands apart as the premier producer and manufacturer of the highest purity pharmaceutical and analytical grade ethanol and Extraction Solvents in the world. We operate the most rigorous quality system, fully integrated into a dedicated manufacturing process that provides a chain of custody and control of quality from raw materials to finished product.



WWW.IRISLABSOLUTIONS.COM

for both parties and provides the intern with a solid foundation for growth.” In addition, she said, “It is important the rest of the team buys into the organization’s vision in order to ensure the entire team is committed to supporting the intern’s role and understands [the intern’s] tasks and purpose at the organization. An internship, at its core, is a learning experience.”

Part of employee education in any corporate environment, Smyth explained, is learning to see the company’s “big picture” and how employees fit into the culture. “Bring interns to different department meetings, where appropriate, to expose them to other aspects of the operation,” she said.


In many ways, managers must deploy the same strategies as they do for positioning full-time employees for success, she added. For an intern to succeed, an organization must do more than hand them unwanted tasks and then provide little or no structure or evaluation before the arrangement ends.

“Have regular check-ins scheduled and treat [interns] like an entry-level employee, providing feedback and appreciation often,”

Smyth advised. “Ideally, this person becomes a full-time employee at the end of their internship, so it’s best to set the intention for a long-term partnership from the start.

“There is definitely potential of a two-way flow for the intern and the company,” she added. “Hiring an intern allows you to learn more about a younger generation and what they are looking for in a career. Take advantage of this time to learn how to position your recruiting and hiring efforts to appeal to a new workforce.”

springbig’s Shaul emphasized benefits for trainees: “Cannabis companies have a plethora of information to teach, and interns can provide immediate assistance in areas of need. We currently have five full-time employees that started out as interns.”

High There! also converts interns into full-timers when possible. The company promotes from within, not only for continuity but also because employees represent investments, not transactional relationships. “We’re looking to grow from within,” Velves said. 

Interns by the Numbers

According to the National Association of Colleges and Employers’ “Class of 2019 Student Survey”:

More than half of all members of the class of 2019 received at least one full-time job offer before graduation. Of those, 57.5 percent participated in an internship program during college.

Graduating seniors who held internships and applied for full-time jobs received an average of 1.17 offers; those who did not work as interns received an average of .98 job offers.

77.3 percent of interns offered full-time jobs with the same company accepted the offer.

45.6 percent of 2018 internships converted into full-time positions.

In 2018, the average annual hourly wage for paid interns was \$18.73.



Interns are part of the family at Würk.

Photo: Würk

Liquid Chillers

Vacuum Cold Trap Chillers

Refrigerated Circulators

Heated Circulators

MAKING TEMPERATURE CONTROL
"SUPER COOL" FOR OVER 50 YEARS.

WE USE THE POLYSCIENCE CHILLERS WITH OUR DIFFUSION PUMPS...WE'VE HAD GOOD SUCCESS USING POLYSCIENCE, IT'S MADE IN THE USA, IT'S A QUALITY PRODUCT AND IT'S GOT GOOD PRICING.
-PAUL FLOOD, SALES

THE POLYSCIENCE CHILLERS THAT WE SUPPLY TO OUR CUSTOMERS ARE SO HEAVY DUTY THAT THEY ALMOST NEVER SHIFT FROM A DEGREE AND THEY'RE ABLE TO KEEP THE TEMPERATURE ON POINT EVERY SINGLE TIME.

-ELLIOT KREMERMAN, PRESIDENT

POLYSCIENCE IS ONE OF THE BEST SUPPLIERS WE HAVE. FROM THE VERY START THEY WERE VERY PROFESSIONAL AND TOOK CARE OF US AS IF WE WERE THEIR OWN. THERE SHOULD BE NO SURPRISE THEY ARE THE LEADER OF THE INDUSTRY.

-DAVID GREENSPAN



PROVAC

Summit
Research
Only the best



Best Value Vacs

INNOVATIVE • RELIABLE • EFFICIENT



PolyScience

Temperature Control Solutions



@polysciencelab
www.polyscience.com

Quality

Reliability

Durability

American Made



Branding with Style

Apparel will spread your brand message if it speaks to your target market's lifestyle.

As cannabis emerges from prohibition, the public image of cannabis users is changing dramatically. Not so long ago, “stoner” and “druggie” stigmas were ever-present in the public mindset. However, with more consumers entering the market every day, brands now have a huge opportunity to redefine how cannabis is viewed by the public and build brands that speak to the values and lifestyles of emerging users.

The importance of branding has been discussed at length, both in this magazine and in nearly all other literature about building a company. However, “branding” means something very different for each entity. Your brand is your way of signaling to every potential customer who you are, what you are, what you care about, and every other collective perception you imply through what you do and how you look. That goes for everything from packaging to social media and merchandise.

At Lemon Tree, we branded our flower before branding flower became a common practice. One of our core strategies was developing a clothing line that helped tell our story. From the beginning, we’ve worked with local Santa Cruz, California, artists to capture cannabis culture in an authentic way, incorporating art and creativity into both our clothing and our cannabis packaging. Having a clothing company has allowed us to define the Lemon Tree brand in multiple industries and in larger geographical areas in slightly different ways. By highlighting the activities that define us—such as skateboarding, hiking, and surfing—with our clothing brand, we are more able to tell the story of the California lifestyle of which cannabis happens to be a large part.

We’ve created a two-pronged approach, with cannabis on one end and clothing on the other. The prongs exist separately but reflect one another through lifestyle branding. The approach has allowed our brand to exist in the cannabis space and parallel markets in slightly different forms. Each influences the other, allowing us to incorporate our core values into the brand as well as offer customers a way to engage and access what we, and they, stand for.

The clothes people choose are an outward representation of their inner identity—how they wish to be seen and understood by the world. The distinct difference between someone wearing a *Thrasher* tee and someone wearing a polo shirt is immediately apparent and signals key contrasts in their cultural identification. This means someone choosing to wear a piece of your brand on their back has more than impression value as advertising. The piece of branded clothing becomes part of the

consumer's identity, which can be very effective in building your brand.

The opportunity to sell clothing in and around the cannabis space is quite significant, and several brands are approaching the market. MedMen, for example, launched an apparel line in February. Unfortunately, some companies focus apparel-related messaging in less-than-optimal directions by concentrating on cannabis and cannabis use instead of the culture, values, and lifestyle of their target consumer. Cannabis is one part of the message, but it shouldn't compose the entire message.

Others have developed clothing brands around a cannabis lifestyle; however, many have highlighted values that were born of the prohibition era and place value on the

street-hustler mentality then associated with weed. While that approach most certainly has been successful thus far, it leaves a large opportunity for brands to focus on the emerging legal market and new consumers who may not want to be associated with the plant's former image.

What we are really talking about here is expanding the brand echo to represent your company in a way your ideal customers want to be a part of. Aside from having value as a branding mechanism, clothing is not limited by strict regulations and can be exported to reach people worldwide. That means even though you may not be able to sell cannabis in a market, you nevertheless can gain brand exposure with clothing.

Our clothing line acts as the flag for our brand: In markets where we are unable to

embark with cannabis, we can spread our brand echo with our clothing. Our goal is to gain exposure and recognition in other markets, establishing rapport with potential customers in preparation for the day when cannabis is legalized in their area.

Creating a strong brand is paramount in this new industry and, with such a diverse and changing landscape, the opportunities to develop and shape the brands of the future are fertile. Many new consumers with new sets of values enter the market every day, constantly changing cannabis culture. As brands in the space, it is important we acknowledge and understand these shifts so we may develop brands that will endure past the hype of legalization and shape the future of the industry. 



Photos: Lemon Life

LET'S GROW

YOUR FINEST HARVEST



To find out how we can help with
your structure needs visit or call
www.growspan.com
1.800.476.9715

GrowSpan a Growers Supply Brand



FOR NEARLY 40 YEARS GROWSPAN
has been helping growers maximize profits with Greenhouse Structures



**Energy
Efficient**



**Superior
Warranties**



**Expert
Project Managers**

No Money Down Financing, Terms Up To 7 Yrs and As Low As 5.99% on Greenhouses



Insuring the Uninsurable

The industry is thriving. So, why isn't it insured?

Let's be clear: The United States is no longer dealing with the hypothetical possibility of a thriving cannabis industry. It already has one. For more than a decade states across the country have been reforming marijuana laws and perceptions, opening the economic floodgates for a legal cannabis industry that now wields undeniable financial clout. According to *Fortune*, the United States' legal marijuana industry grew to \$10.4 billion in 2018—up from \$6.5 billion in 2016—and employed more than 250,000 people. What's more, *Fortune* estimates investors will “funnel more than \$16 billion into the industry” in 2019.

It's easy to see why projections are so bullish. To date, thirty-three states and the District of Columbia have legalized medical marijuana, and ten states—Alaska, California, Colorado, Massachusetts, Maine, Michigan, Nevada, Oregon, Vermont, and Washington—plus the District of Columbia have legalized the use of recreational marijuana for adults 21 and older. What's more, the Illinois legislature recently approved recreational use, and New York and Connecticut are poised to pass legislation this year. Movements to get a legalization initiative on the ballot in 2020 are underway in Arizona, New Jersey, and Ohio.

Despite all the positive momentum, cannabis-related businesses (CRBs) face a substantial problem in their effort to function as legitimate retail operations: insurance. Insurers remain extremely reluctant to write policies aimed at protecting CRBs from all manner of financial losses, including fire, theft, vandalism, and product liability.

This means the cannabis industry, on the whole, operates without a financial safety net, with many of the big-name insurers explicitly steering clear of providing insurance to CRBs, including Allianz SE, Nationwide Mutual Insurance Co., and Hartford Financial Services Group Inc. “We do not underwrite any business that sells, grows, transports, or distributes marijuana or products derived from marijuana cannabinoids,” Hartford said in an official statement in late 2018.

To be sure, a handful of niche carriers and subsidiaries have begun filling the gap. For instance, Brown & Brown Insurance now offers marijuana business coverage through a new division called Cannabis Insurance Professionals (CIP), which is based in California and licensed in all fifty states. CIP garnered national headlines last year after the company paid

more than \$1 million to one of its clients whose marijuana crop was destroyed in the 2018 Thomas wildfire.

Nonetheless, finding substantive and affordable insurance remains a significant problem for CRB entrepreneurs.

“There are small, private insurers trying to fill the gap, but not many. And most of these companies are non-admitted, coverage is limited, and the price is expensive,” said Dawna Capps Evans, executive director of the National Cannabis Risk Management Association (NCRMA), a membership-based trade organization that provides risk management and insurance solutions for CRB owners and investors. According to Evans, the current insurance landscape leaves business owners with tough choices.

“They can either purchase very costly insurance, they can go uninsured or underinsured—which leaves assets unprotected and exposes them from a personal liability perspective—or they have to piecemeal a plan together from many different insurers, which can be extremely time-consuming,” said Evans. “Today, whatever the solution is, it's not an easy one.”

LEGAL DISPARITIES

According to industry experts and analysts, the CRB insurance quandary comprises several influencing factors, the most obvious being the conflict between states that have legalized cannabis and current federal law, which still considers marijuana illegal under the Controlled Substances Act (CSA) and classifies it as a Schedule I drug with “no currently accepted medical use in treatment in the United States.” According to attorney Meghana Shah, partner at Eversheds Sutherland LLP and co-founder of the firm's cannabis industry team, this conflict could expose marijuana businesses and their ancillary service providers (such as insurers) to federal criminal liability.

“Business owners and insurers alike remain concerned about the risks associated with doing business in the cannabis industry,” said Shah. “For cannabis-related businesses, the inability to secure insurance denies them a vital service, rendering them unable to protect themselves against common business risks, some of which have the potential to irreversibly cripple their business.”

Some attempt has been made to ease concerns about this legal disparity. As states legalized marijuana to varying degrees over

the past ten years, the U.S. Department of Justice issued a series of non-binding guidance memoranda, the most recent of which indicated the DOJ would not enforce federal marijuana prohibition with respect to legitimately operating, state-licensed marijuana businesses unless they operated in a way that undermined established federal priorities, such as selling to minors or across state lines.

While not having the force of law, the guidance provided stakeholders—including cannabis businesses and ancillary services like insurance companies—some degree of comfort about their protection from federal prosecution. And while the guidance was rescinded by former Attorney General Jeff Sessions in January 2018, current Attorney General William Barr emphasized during his confirmation hearing he would not “upset settled expectations” arising from prior reliance on DOJ guidance.

Nonetheless, insurance providers remain hesitant to get into the cannabis industry, not only for fear of federal reprisal, but also because the disparity between state and federal law can wreak havoc on the enforcement of contracts between an insurer and its clients, according to attorney Richard Blau. Blau is a shareholder at GrayRobinson and heads the firm’s medical marijuana team, which focuses on the rules and regulations governing medical marijuana and related cannabis products. To emphasize his point, Blau cited a now-infamous 2012 Hawaii federal court ruling that said a homeowners’ insurance policy did not cover the theft of one woman’s marijuana plants grown for medicinal use.

The homeowner, Barbara Tracy, was allowed to grow and possess marijuana for personal use, and after twelve plants were stolen, she submitted a claim to USAA for \$45,600. USAA initially agreed to pay Tracy \$8,801 for the claim, but Tracy sued, claiming the plants had a far greater value. USAA argued that because marijuana is federally classified as an illegal Schedule I substance, they were under no obligation to cover the loss at all. The court ultimately agreed with USAA, stating even though Hawaii law permits the use of marijuana for medicinal purposes, it is illegal under the Controlled Substances Act and therefore not subject to homeowners’ insurance coverage.

“So, on the one hand, you have a lot of insurance companies that operate in many different states, which means they arguably

fall under federal jurisdiction. They’re worried their charters could be challenged under federal law if they write policies for CRBs,” said Blau. “But you also have what I think is the larger issue of judicial precedence that says insurance contracts are not enforceable under federal law.

“The good news is courts are beginning to recognize we’re not living in the world of *Reefer Madness* anymore, and we now have an alternative line of cases where judges have ruled that as long as the claimant stayed within the scope of state law the insurance contract is valid and enforceable. But the split of judicial opinion needs to be reconciled, and the only way that’s going to happen is if marijuana is withdrawn from its Schedule I classification.”

CASH = RISK

Adjacent to this concern is the limited access CRBs have to the banking system. Consider, for instance, that in 2014 Colorado’s Fourth Corner Credit Union was chartered to serve the “unique financial needs” of cannabis-related businesses. But despite operating within the boundaries of Colorado’s legalized marijuana framework, the application for a master account from the U.S. Federal Reserve System was denied because of marijuana’s continued illegality at the federal level. This is just one example of how the disparity between state and federal law have forced the legal cannabis industry to operate within a cash-intensive “gray market,” bringing with it all manner of concerns, including theft, the risks of currency transportation, money laundering, and cash hoarding.

“The lack of banking options is a unique and significant risk for the cannabis industry right now, because so much of this economy is being fueled by large, cash-based operations, and that leads to significant exposure,” said Evans. “Banking and financial institutions play a critical role in our economy, and most businesses take for granted the way they use these institutions in a secure way. Without access to safe banking in the cannabis industry, insurers are going to be very reluctant to get on board.”

To address this particular problem, the House Financial Services Committee voted 45-15 in March to advance the Secure and Fair Enforcement (SAFE) Banking Act, making it the first piece of major federal cannabis reform legislation to emerge from a key congressional committee. The bipartisan

legislation aims to protect banks and other financial institutions from federal prosecution when working with cannabis-related businesses operating in compliance with state laws. What’s more, the act would prohibit federal banking regulators from sanctioning financial institutions that work with CRBs and also would protect ancillary businesses—like insurance companies—from being charged with money laundering or related financial crimes.

While the SAFE Banking Act still faces an uphill battle—particularly as Idaho Sen. Mike Crapo, the Republican chairman of the Senate Banking Committee, said in late April that he would not commit his committee to considering the legislation—many in the industry are extremely optimistic about what the bill foreshadows.

“Yes, politics is going to play a role in this, but I’m not worried because there is just too much future money to be made,” said Jeff Kleid, owner of the California-based Elite Green Insurance Solutions, which provides a suite of insurance products to the cannabis and hemp industries. “There’s no way in hell companies like Bank of America or Chase are going to let billions of dollars not go into their banks. Maybe it’s going to take a few more months, maybe until the end of the year, but I have no doubt the SAFE Act will help banks establish rules in each state and the industry will continue to flourish.”

His steadfast optimism aside, Kleid is quick to point out insurance problems facing the U.S. cannabis industry include factors beyond banking and disparities between state and federal marijuana laws. For instance, because of the industry’s history of prohibition there’s a significant dearth of claims and risk data essential to underwriting any insurance product. Furthermore, because legal cannabis is such a relatively new business enterprise, Kleid said the insurance industry currently lacks nuanced, on-the-ground knowledge of the industry’s peculiarities and the needs of the communities that compose it. Still, Kleid sees an ultimately vibrant future for the insurance of CRBs.

“This whole landscape is evolving and changing literally day by day,” he said. “But I predict that a year from now you’re going to see three or four times the number of insurance companies occupying this space. And many of them will already be late to the game.” 



Growing Multiple Strains

Designing a system for discrete strain management allows growers to extend their market appeal.

There seems to be no end to development and improvement of cannabis genetics. Laboratories continue to tweak and advance crops' effects, taste, and aesthetics, piquing the interest of growers and consumers across the country. With genetic enhancement, growers now, more than ever, aim to diversify crops and bring numerous high-end strains to market.

Growing multiple strains requires multiple structures or rooms, but to truly maximize crop diversity and bring a wide range of products to market, many grows must produce multiple strains in a single space. Let's take a look at why grow operations should consider producing as many strains as possible. Then, we'll examine how growers in any region can set up a profitable operation producing dozens of different strains.

MORE STRAINS MEAN MORE CUSTOMERS

Today's cannabis market offers thousands of products for consumers to use. This has led to varied, but specific, preferences when it comes to purchasing, whether consumers prefer recreational or medicinal products. In order to become renowned, growers need more than good branding and a high-end product. They must meet the specific needs of as many consumers as possible by growing numerous strains and creating a diverse product line known for quality across the board.

From a recreational standpoint, this means appealing to consumers who prefer the heady high of a sativa, those who seek a relaxing strain of indica, and customers who are looking for hybrid strains. Medical users want help with specific ailments, so having strains that can address depression, anxiety, muscle spasms, pain, insomnia, or any other medical need will help businesses attract more market share.



Grouping like strains together allows all plants to receive proper lighting.

As a side note, producing several strains allows growers to become better at their job. Gaining experience with as many strains as possible helps growers learn more about the plant and can provide new tricks for growing and troubleshooting. Growers can take pride in what they've accomplished and separate themselves from other cultivators by operating a complex setup that's successfully cultivating multiple strains. On top of that, being able to produce dozens of profitable strains is good bragging material.

THE SETUP

To start, growers must establish multiple spaces, and they should outfit each with smart controllers. This will organize the operation and make it easier to address the needs of each strain. Best of all, controllers enable operations to automate many of their tasks, leading to much lower labor costs.

It's usually best for growers to get a controller for each greenhouse or grow room, but more ambitious souls may use a single controller across their entire operation. Controllers collect data from strategically placed sensors, then interpret the collected data and make the necessary environmental adjustments based on the grower's preferences.

Will Kacheris, who designs custom greenhouse systems for GrowSpan Greenhouses, pointed out, "Indoor and outdoor sensors can use real-time weather data and greenhouse data to predict the need for heating and cooling, further increasing the efficiency of the systems and preventing overheating or overcooling."

This means if the environment becomes too cold, the heating system will be turned on; if nutrient levels become too low, a shot of solution can be added to the irrigation line automatically. These are just two examples of the many ways smart controllers make a grower's life easier.

Growers should group similar strains together and put them in the same greenhouse or grow room. Group indica plants with other indica plants and sativa plants with other sativa plants, broadly speaking. Indica strains tend to be shorter and bushier in nature, while sativa strains are taller and lankier. By grouping like strains together, growers can create a nice, even canopy where all the plants receive proper lighting and none are blocked out by plants that naturally are taller or more robust.

Grouping strains by their nutritional needs also is a good idea. This allows fertigation automation and ensures crops get the nutrients they need when they need them.

Introducing an automated fertigation system will enable operations to be super-specific with nutrient plans.

When paired with smart controllers, fertigation systems allow growers to focus on specific nutritional needs of each individual strain without depending on increased labor. In a closed fertigation system, the water is recirculated and electrical conductivity and pH meters constantly monitor the water.

Kacheris described how controllers make managing different strains in one room much easier: "To further diversify growing room uses, fertigation controllers can even split rooms into separate zones, allowing physically similar strains with different nutrient requirements to be grown in the same space."


When nutrient levels become too low, automated systems automatically dose the water with the grower's preferred nutrient solution. The systems provide precise nutrient delivery, ensuring crops always are nourished properly, eliminating nutrient waste and human error, and making it easy for operations to reach their highest-quality harvest on a consistent basis.

Growers who aim to produce multiple strains and experiment with new strains should look for the most forgiving growing method. This will help mitigate any less-than-ideal harvests and empower growers to try

new plants and techniques without worrying about their operation's viability.

For both cultivation and financial reasons, establishing a strain-separation operation with greenhouses makes sense. By utilizing multiple structures, operations can organize and group their crops by strain while taking advantage of smart controllers and automated fertigation.

Greenhouses provide the complete environmental control of an indoor room but let growers utilize natural sunlight. This can save tens of thousands of dollars on operating costs. When used correctly, the combination of greenhouses and proper environmental control systems allow for growth of high-quality pot at a low cost per gram. This potential for peak profitability provides operations with more room to play and helps growers feel a little more confident when experimenting with new strains.

If a business is going to make it big in this market, it must meet the needs of as many consumers as possible. To do this, operations must produce as many strains as possible without losing quality or profitability. Utilizing smart controllers and greenhouses allows cultivators to organize their grows better in order to produce multiple strains. When integrated correctly, such systems allow businesses to achieve their peak revenue. 



Be in Compliance

Child Resistant / Senior Friendly

Metered Dose Pumps and Packaging



Contact David Meshberg
david.meshberg@packagingconcepts.com

203-209-3625



Variety is the Spice of Health and Wellness

Patients are becoming more sophisticated consumers.



WHAT DELIVERY SYSTEM AND APPLICATION ADVANCES ARE YOU SEEING WHEN IT COMES TO HOLISTIC HEALTH OPTIONS?

We are seeing a lot of interest in Durban Poison tablets. This energetic and uplifting 100-percent sativa strain originates from a secret garden near Durban, South Africa, and was brought to the United States by none other than legendary American cannabis activist Ed Rosenthal. Since it contains THCV and is now available in tablets, it is gaining popularity as an appetite suppressant. We are also finding more and more people interested in tinctures for skincare, in particular to help with acne. And there are also a few strains being used in the passion and pleasure category, viable options for those with heart conditions who need an alternative arousal solution.

Also, there has been an uptick in patients seeking topicals to help with arthritis, back pain, and inflammation. Some of our best-selling brands are Papa & Barkley and Mary's Medicinals, who do the transdermal patches. These are very popular.

*Keyva King, CEO, Royal Highness
RoyalHighnessMJ.com*



FOR WHAT AILMENTS ARE PATIENTS IN ARIZONA SEEKING TREATMENT? HAS THAT CHANGED SINCE YOU OPENED SIX YEARS AGO?

Yes. I have seen so much change since the beginning. It seems people are becoming more and more interested in learning about the medicinal benefits of cannabis and are willing to give it a try, whereas years ago, the negative stigma of medicating with cannabis might have prevented people from trying it. I'd say first and foremost the biggest change is the education process. Although patients are starting to educate

themselves by reading articles online and talking to other patients who are cannabis users, we still feel it's our obligation to make sure these patients are reading and receiving the correct information, so we spend a lot of time with each patient. We focus on educating them about the various methods of medicating—many still think smoking is the only way to medicate—and stress how important it is to learn your correct dose.

Each patient has a different goal, so it's important to treat patients independently from one another and suggest items that might be more appropriate for their ailment. In terms of ailments, we see a lot of glaucoma, ALS, and oncology patients looking for relief. However, most patients seem to be looking for pain management, appetite, and nausea control. Lately, patients are becoming more interested in medicating with oils, tinctures, and edibles as they're an easy way to ingest cannabis other than smoking. I'm finding people are looking for quick, easy dosing and something that lasts a long time, so edibles are very popular.

*Lauren Gooding, president, TruMed Dispensary
TruMedAZ.com*



MAITRI MEDICINALS SEES A LOT OF SENIORS WITH MANY DIFFERENT AILMENTS. WHAT ARE YOUR BEST-SELLING CATEGORIES?

More and more patients are becoming interested in [Rick Simpson Oil] and the benefits of whole-plant compounds. While RSO is a common form of cannabis for cancer patients, we are finding people with other health conditions and general wellness concerns are turning to RSO for its deep therapeutic effects and overall health benefits. Also, because of the requirements for lab-testing in legal markets, we find terpene profile results are improving patients' ability to home-in on specific strains and products to better meet their health needs. In addition to lab test results that

enable patients to choose preferred strains and products on the basis of cannabinoid percentages and ratios, patients are being more selective about their cannabis based on terpene profiles and their therapeutic effects.

The vast majority of our patients seek advice and product recommendations for pain relief and for improving sleep. By relieving pain and improving sleep, our patients' other ailments and overall wellness get a boost as well.

*Corinne Ogradnik, CEO and co-founder,
Maitri Medicinals
MaitriMedicinals.com*



WHAT HEALTH AND WELLNESS TRENDS AND ISSUES ARE YOU SEEING FROM MANUFACTURERS AND CUSTOMERS?

We are excited to see cannabis brands addressing needs consumers have for not only critical injury and ongoing health issues but also for everyday preventative natural remedies, as well as products for beauty, sexual wellness, anti-aging, and skin care. The quality of ingredients is improving greatly where cannabis is not the only star ingredient and main reason for purchasing the product, but the other ingredients are top-quality as well.

Stress has such a major effect on our systems, and we are all exposed to so much of it, so we hear and talk about how to prevent and deal with stress a lot. We suggest a holistic approach where you integrate remedies into your life in a variety of ways. With sleep, for example, you don't arrive at your bed with insomnia; it has built up all day and compounds, so if you get ahead of it you will be better off when you want to get to sleep. When you start implementing micro-dosing throughout the day, include CBD intake, and dosing with a few different delivery systems, we see a much higher success rate.

*Vanessa Rodriguez, GM, 99 High Tide Malibu
99HighTide.com*



STORZ & BICKEL GMBH & CO. KG



**SAME GREAT PRODUCTS
BOLD NEW LOOK**



greenlane

NOT FOR SALE TO MINORS

WHOLESALE ORDERS CALL
877.292.7660 | GNLN.COM

“I admire brands that are conscious about sourcing, production, practices, and making the world a better place.”

-HAPPYTOKES

1

Describe the community you’ve built on Instagram.

@HappyTokesTribe is technically anyone who supports me and one another but also is a curated community in which all loving souls are welcome. Though differing viewpoints are encouraged if they’re expressed respectfully for the sake of discussion and insight, I quickly decline troll-like or hateful interactions by blocking those accounts. I’m proud to have created a safe place on social media where people are comfortable sharing personal details.

2

What will people find in your community?

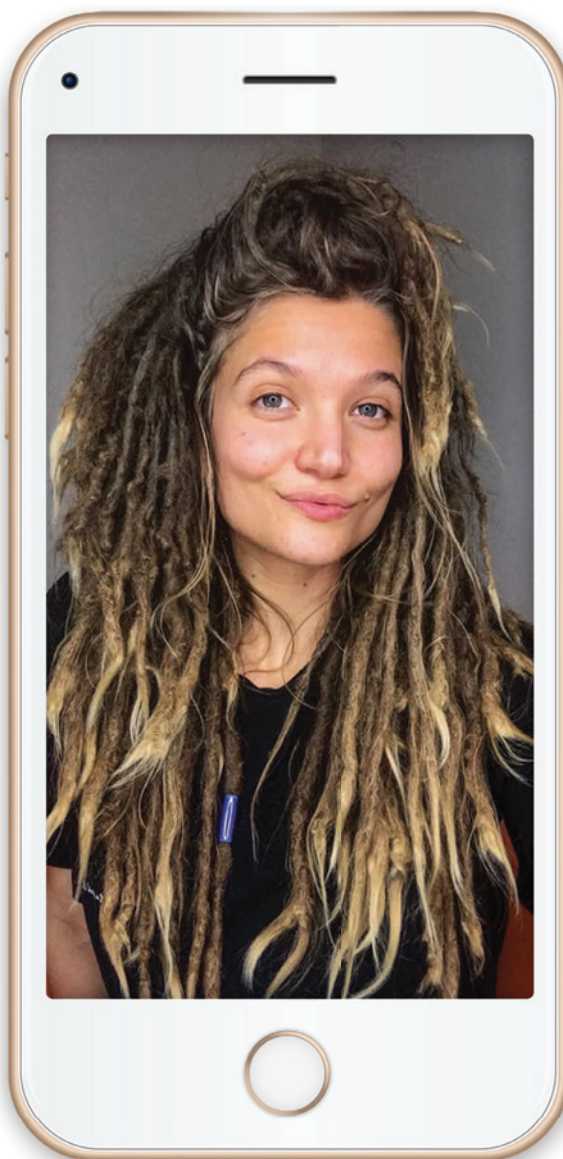
Acceptance, support, authentic comments, physical snail-mail (“HappyMail”) sent to spark joy in another’s life, livestreams that remind us in-person interactions are possible, road trips across the country to see each other in person, and a community that rallies to support those who are brave enough to publicly share their struggles.

Positive Vibes

Madison Ortiz, known on social media as HappyTokes, has almost 75,000 followers on Instagram and is community manager for CannaSmack.

“Under the Influence; Over the Stereotype”

@HAPPYTOKES



3

With what types of brands do you prefer to work?

Through my travels, I have met the people behind the majority of brands I promote. I support them because I’ve learned their stories, believe in their products, and feel a bond to their spirits. It is incredibly exciting for me to watch everyone around me grow and succeed.

NETWORK STATS

526

Songs on the @HappyTokes playlist on Spotify

20k

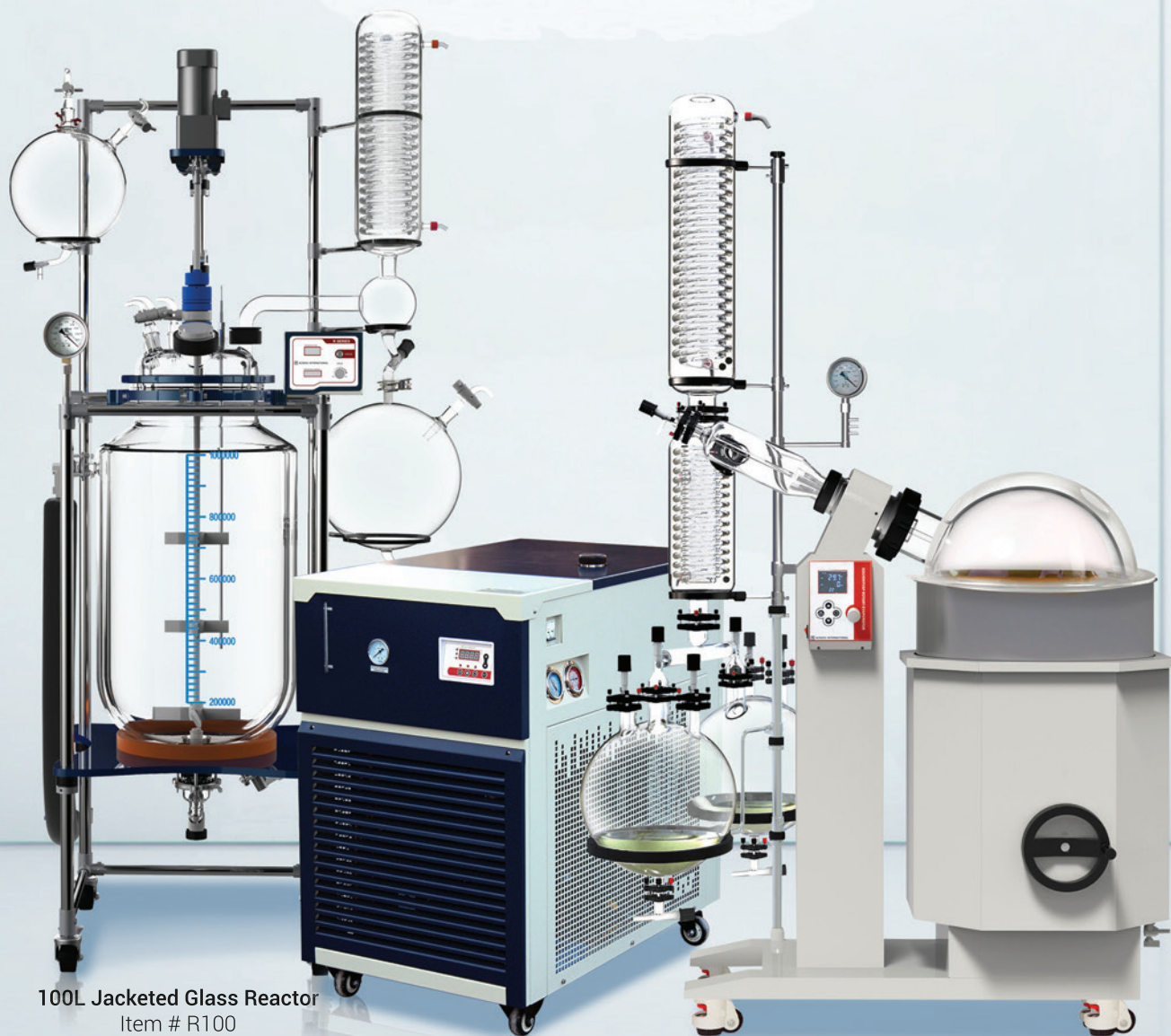
#HappyTokesTribe posts on Instagram

4,854

Number of likes on her most-liked Instagram post in 2019.

Photos: Madison Ortiz

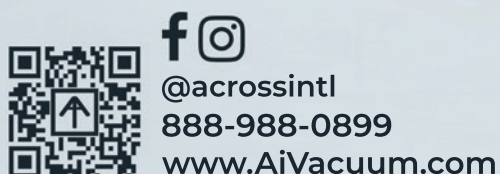
FOR THE HIGHEST QUALITY EQUIPMENT,
THE BEST PRICES, AND LIFETIME CUSTOMER SUPPORT,
LOOK TO Ai VACUUM.



100L Jacketed Glass Reactor
Item # R100

-30°C 40L Recirculating Chiller
Item # C30-40-50L

50L Rotary Evaporator with Dual Receiving Flasks
Item # SE130 & SE130-DR





dr. dabber™



THE PERFECT BALANCE OF
INNOVATION & STYLE

Globally recognized for their commitment to quality, convenience, reliability, and effectiveness, Dr. Dabber represents the pinnacle of the industry.

greenlane

NOT FOR SALE TO MINORS

WHOLESALE ORDERS CALL
877.292.7660 | GNLN.COM