

THE CANNABIS MARKET

Cannabis is no longer just about therapeutics. It is a whole market with a bright future ahead.



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CANNABIS, HEMP, MARIJUANA... WHAT IS WHAT?

"Botanically, hemp and marijuana are from the same species of plant, *Cannabis sativa*, but from different varieties or cultivars. However, hemp and marijuana are genetically distinct forms of cannabis that are distinguished by their use and chemical composition as well as by differing cultivation practices in their production. While marijuana generally refers to the cultivated plant used as a psychotropic drug (whether used for medicinal or recreational purposes), hemp is cultivated for use in the production of a wide range of products, including foods and beverages, personal care products, nutritional supplements, fabrics and textiles, paper, construction materials, and other manufactured and industrial goods."

In U.S. law, the main difference between hemp and marijuana is its composition: both contain cannabidiol (CBD), but hemp does not contain more 0.3% of delta-9-tetrahydrocannabinol (THC) on a dry weight basis while marijuana does.²⁸ Canadian law [defines hemp](#) the same way.²⁹

WHAT ARE CBD AND THC?

Cannabidiol (CBD) is a cannabinoid present in cannabis plant. It was isolated for the first time in 1940 by Adams et al. Since then, many therapeutic properties of CBD have been discovered: anxiolytic, antipsychotic-like, antioxidative, neuroprotective, antiepileptic, sedative, mood stabilizer, anti-inflammatory...³⁰. CBD has no psychoactive effect and **is legal in most countries if extracted from hemp plants**.

Tetrahydrocannabinol (THC) is the most present cannabinoid in most cannabis varieties. THC was isolated for the first time in 1964 by Dr. Raphael Mechoulam and its therapeutic properties have been studied since. Those therapeutic effects include analgesic, antiemetic, neuroprotector, anti-inflammatory, anti-spasmodic. It is also known for increasing appetite, reducing nausea and helping sleep. THC has a psychoactive effect and responsible for the "high" effect. It is then illegal in most countries³¹.

28 Congressional Research Service (Updated March 22, 2019), Defining Hemp: A Fact Sheet, available at: <https://fas.org/sgp/crs/misc/R44742.pdf>

29 Industrial Hemp Cultivation

30 Crippa, José A et al. "Translational Investigation of the Therapeutic Potential of Cannabidiol (CBD): Toward a New Age." *Frontiers in immunology* vol. 9 2009. 21 Sep. 2018, doi:10.3389/fimmu.2018.02009, available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6161644/pdf/fimmu-09-02009.pdf>

31 <https://www.kalapa-clinic.com/en/tetrahydrocannabinol/>

WHY SO MUCH ENTHUSIASM?

Cannabis was used mainly in India and China for **medical and religious purposes** before the Christian era. It was introduced in Western medicine in the mid-19th century. Its popularity decreased in the first half of the 20th century and it was prohibited in most countries. In the 1960's, recreational use regained popularity in Western world and scientific interest in cannabis increased. In the beginning of the 21st century, it gained medical concern and was used both legally and illegally by ill people seeking to alleviate their symptoms³². Now, it also raises wellness interest.

CBD has been particularly in the spotlight in recent years for various reasons. First, it is involved in many promising stories and testimonies regarding healing, or at least symptom relief of ill adults and children who could not be cured with available treatments. Many people with troubles or diseases, especially epilepsy, have shared their experience and explained how resorting to CBD had significantly improved their quality of life. Thanks to its numerous properties and its numerous administration possibilities, CBD has become a "super ingredient" recognized by health care and the wellness industry. Word-of-mouth, its exposure in media as well as the internet has increased the popularity of CBD and cannabis as a therapeutic remedy.

Second, cannabis legalization plays a major role. Both medical and recreational cannabis have been legalized in Canada, Uruguay and some states in the U.S.A. In an increasing number of countries, medical use has been legalized. In others, medical and/or recreational use is decriminalized. Yet, cannabis is still prohibited in a lot of countries.

As well as the cannabis market, the expansion of the CBD market has been boosted by laws. The legalization of recreational cannabis use in Canada and in various states of the U.S has been key drivers, but in the U.S.A, **the 2018 Farm Bill also had a major role**³³.

Focus on the [2018 Farm Bill](#)

The 2018 Farm of the U.S.A has been signed in December 2018. **It removes hemp and hemp-derived products from its Schedule I** status under the Controlled Substances Act and **legalizes hemp at the federal level**, though under certain conditions.

Hemp, as defined by the U.S. law, hemp cultivation and hemp-derived products as well as their sale, transportation or possession are allowed. Yet, there are some conditions. In particular, hemp cultivation and production are regulated.

The law also extents research about hemp as it includes it **to the Critical Agricultural Materials Act**, which acknowledges the importance and diversity of hemp

32 Zuardi, Antonio Waldo. (2006). History of cannabis as a medicine: a review. Brazilian Journal of Psychiatry, 28(2), 153-157. <https://dx.doi.org/10.1590/S1516-44462006000200015>

33 Velasquez-Manoff, M. (May 14,2019), "Can CBD Really Do All That?", The New York Times Magazine, available at: <https://www.nytimes.com/interactive/2019/05/14/magazine/cbd-cannabis-cure.html> (accessed date: 09/17/2019)

plant, be it from agriculture or commercial and market perspectives.

One of the main consequences of this law, is that CBD is now legal at a federal level, if extracted from hemp.

AN INCREASE IN CONSUMER INTEREST... AND CURIOSITY.

Google Trends shows a continuous increase in global internet searches for "cbd", over the past five years. In 2014, the number of "cbd" searches were thirteen times lower compared to 2019. The related sectors "Foods and Drinks", "Health", "Body care and Wellness" and "Shopping" display the same trend in increasing research.

The related researches vary: "cbd gummies", "holland and barrett", "cbd oil near me", "cbd oil for dogs", "green roads cbd", "full spectrum cbd", "cbd oil for anxiety", "plus cbd oil".

CSP Magazine writes about consumer awareness in the U.S in 2019 : 29% are knowledgeable but have not tried and another 29% is not knowledgeable about and have not tried, but would be willing to. A quarter is knowledgeable and have tried. Only 12% are not knowledgeable about and are not interested in trying³⁴.

CANNABIS AND CBD IN POP CULTURE

Cannabis used to be associated only with marijuana/ weed, which had its own place in pop culture but now, **cannabis has developed a new image** through the labels hemp, CBD/ THC, medical, or therapeutic for instance. CBD and hemp benefits from **brand's communication** on social media – especially Instagram – but are also **promoted by many influencers and celebrities**. People like Kim Kardashian, Alessandra Ambrosio, Jennifer Aniston, Emma Roberts, Olivia Wilde, wellness guru Gwyneth Paltrow or Kristen Bell, and so on, publicly claim to use CBD for wellness purposes, which is profitable for its notoriety.³⁵

Furthermore, so me celebrities (most of them American), who has a great audience, have turned into "cannapreneurs": they have either invested in cannabis company or launched their own cannabis brand. For instance, in 2016, famous actress, comedian and singer Whoopi Goldberg co-funded *Whoopi and Maya* with industry veteran Maya Elizabeth. The firm is specialized in cannabis-infused topicals for menstrual relief. Singer Snoop Dog created *Leafs by Snoop* in partnership with *Tweed*, one of Canopy Growth's subsidiary. Professional boxer Mike Tyson invested in Tyson Ranch, a cannabis resort

³⁴ Abcede, A. and Dworski, B and Lancaster, A. (May 2019) "The Next Big Thing". CSP Magazine, p. 30

³⁵ Rhue, H. (April 12, 2019), "10 Celebrities Who Love CBD Products", Marie Claire, available at: <https://www.marieclaire.com/celebrity/g26815473/cbd-celebrity-fans-who-use/> (accessed date: 09/27/2019)

with edibles factory and cultivations³⁶.

HOW MUCH IS CANNABIS MARKET WORTH?

According to the 2019 World Drug Report, released by the United Nations Office on Drugs and Crime (UNDOC), the number of global cannabis users in 2017 is **188,040 million**. The upper estimate reaches 219,020 million.³⁷ Of course, as people get educated about cannabis and cannabinoids, this number is very likely to increase.

In March 2019, an article released by *The Green Fund* stated that "The global cannabis market is thought to be worth **USD 150 billion** today. Barclays, in their European Consumer Staples Report in September 2018, suggests that this figure could increase to **USD 272 billion** by 2028".³⁸

According to the market research database Grand View Research who released a study in May 2019, the **global legal** marijuana market size is expected to reach **USD 66.3 bn** by the end 2025, which would represent a growth of 23.9%. The study also states that the **U.S. legal** cannabis market was valued **USD 11.9bn** in 2019.³⁹

Concerning CBD, an article released by *Forbes* reports that according to cannabis-oriented research Brightfield Group, CBD sales should exceed USD **5bn** by the end of 2019 and reach **USD 23.7bn** by 2023.⁴⁰

But **evaluating how much cannabis market is worth now and will worth in the future is hard**, and figures vary.

In February 2019, according to a study released by Cowen, CBD sales in US should increase up to **USD 16 bn** by 2025.⁴¹ In May 2019, another study released by BDS Analytics stated that CBD sales in U.S. should reach **USD 20 bn** by 2024 and that CBD sales combined with THC sales in U.S. should reach **USD 45 bn** by 2024.⁴²

WHO ARE THE MAIN PLAYERS IN CBD AND LEGAL CANNABIS MARKET?

In 2017, a study by Brightfield Group and Hello MD already highlighted the fact that **having CBD brand had become mainstream**, creating a **highly-fragmented market** where each brand could only pretend to a very small market share. At the time, the most

36 Kertez, A., (May 30, 2018), "Celebrity Cannapreneurs: 16 Celebrities Cashing in on the Green Revolution", Medium, available at: https://medium.com/@adriana_kertzer/celebrity-cannapreneurs-78a801b3d945 (accessed date: 09/27/2019)

37 World Drug Report 2019 (United Nations publication, Sales No. E.19.XI.9), p. 59

38 Bernberg, M. (March 15, 2019), "The Global Cannabis Industry", The Green Fund, available at: <https://thegreenfund.com/the-global-cannabis-industry-a-world-view> (accessed date: 09/18/2019)

39 Grand View Research (May 2019), "Legal Marijuana Market Worth \$66.3 Billion By 2025 | CAGR: 23.9%", available at: <https://www.grandviewresearch.com/press-release/global-legal-marijuana-market> (accessed date: 09/18/2019)

40 Blount, J. (September 11, 2019), "What Is CBD? Here's The Complete Guide", Forbes, available at: <https://www.forbes.com/sites/joresablount/2019/09/11/what-is-cbd-heres-the-complete-guide/#30a78be538d5> (accessed date: 09/19/2019)

41 Cowen Research (February 25, 2019), "Cowen's Collective View Of CBD", available at: <https://www.cowen.com/reports/cowen-collective-view-of-cbd/> (accessed date: 09/17/2019)

42 Boulder (May 9, 2019), "U.S. CBD Market Anticipated to Reach \$20 Billion in Sales by 2024", BDS Analytics, available at: <https://bdsanalytics.com/u-s-cbd-market-anticipated-to-reach-20-billion-in-sales-by-2024/> (accessed date: 09/17/2019)

popular hemp-derived CBD brands was Charlotte's Web, followed by Plus CBD Oil and Mary's Medicinal⁴³.

According to a study by Nielsen the number of cannabis brands in the U.S. only **have been multiplied by almost 16** from 2014 to 2018, increasing from 166 to 2650.⁴⁴

Hemp and cannabis markets are now the battlefield of billions-worthy groups and companies. According to 27/7 Wall Street, the top 10 U.S. and Canadian marijuana companies based on market capitalization at year-end 2018, in billion USD was:

- | | |
|---|--|
| 1. Canopy Growth (Can): 9.28 | 6. Cronos Group (Can): 1.87 |
| 2. Tilray (Can): 6.57 | 7. Aphria (Can): 1.43 |
| 3. Aurora Cannabis (Can): 4.99 | 8. Hexo (Can): 0.93 |
| 4. Scotts Miracle-Gro (U.S.): 3.4 | 9. Cannttrust (Can): 0.69 |
| 5. GW Pharmaceutical (U.K): 3.15 | 10. Green Organic Dutchman (Can): 0.66 |

Most of them have specialized in **medical cannabis**, offering not just products but also medical services, like Aurora Cannabis, GW Pharmaceuticals or Aphria. One can understand why: according to a study published by Adroit Market Research, **medical cannabis market is expected to increase by 29.3%, up to USD 56.7 bn by 2026**.⁴⁵

But some of these groups are also diversified. For instance, In May 2019, Canopy Growth introduced via a press *Spectrum Therapeutics*⁴⁶, a global brand that includes all medical and clinical research activities of the company. Canopy Growth has also chosen to extend to beauty and wellness sectors through its brands *Van der Pop* and recently acquired CBD brand *This Works*⁴⁷, as well as accessories through *Maitri*.

Those cannabis groups are often **vertically integrated**. They own the entire channel, from production to extraction to market to sale.

Let's take an example with Aphria Inc., which owns global operations and retails through its subsidiaries or strategic partnerships:

43 Brightfield Group and Hello MD (July 2017), Understanding Cannabidiol | CBD, p. 17

44 Nielsen, (July 26, 2019), "Brace For Impact: U.S. CPG Cannabis Sales To Rise By The Billions", available at: <https://www.nielsen.com/us/en/insights/article/2019/brace-for-impact-u-s-cpg-cannabis-sales-to-rise-by-the-billions/> (accessed date: 09/19/2019)

45 Adroit Market Research, (June 12, 2019), Medical Cannabis Market will grow at CAGR of 29.3% to hit \$56.70 Bn by 2026 - Global 2019 Analysis by Growth, Size, Share, Price, and Recent Initiatives

46 News provided by Canopy Growth Corporation (May 07, 2019), "Canopy Growth Introduces Spectrum Therapeutics", Cision, available at: <https://www.newswire.ca/news-releases/canopy-growth-introduces-spectrum-therapeutics-868158927.html> (accessed date: 09/20/2019)

47 News provided by Canopy Growth Corporation (May 22, 2019), "Canopy Growth acquires established skincare and well-being company This Works®", Cision, available at: <https://www.prnewswire.com/news-releases/canopy-growth-acquires-established-skincare-and-well-being-company-this-works-300855013.html> (accessed date: 09/20/2019)

Cultivation licenses	Broken Coast, Aphria Diamond, Aphria One, Marigold Projects Jamaica Limited, Colcanna SAS, Schroll Medical (Strategic Partnership), Aphria Germany, FL-Group, Canninvest Africa Ltd., Althea
Distribution companies	Broken Coast, Aphria Diamond, Aphria One, Colcanna SAS, ABP S.A., Schroll Medical (Strategic Partnership), CC Pharma, FL-Group, ASG Pharma Ltd.
Research centres	Tetra Bio-Pharma, Ara Avanti RX, Aphria Onen Hospital Pediatra De Garrahan, ABP S.A., CC Pharma, ASG Pharma Ltd., Canninvest Africa Ltd., CannPal, MedLab
Innovation centres	Manna Molecular Science, Perennial, Rapid Dose Therapeutics, Aphria One
Brands	Medical brands: Aphria, Broken Coast Adult-use brands: Solei, Riff, Good Supply, Broken Coast

Source : <https://aphriainc.com/investors/>

The **corporate activity is high**. Not only do companies acquire or create brands to diversify or get more capacity, in accordance with the **scale-up strategy that prevails** for now, but they also create many **strategic partnerships**. For instance, on March 2018, tobacco group [Altria](#) became the largest shareholder in Cronos Group.⁴⁸ In August 2018, one of the leading beverage alcohol companies [Constellation Brand](#) invested USD 4 bn in Canopy Growth to own 38% of the group. "Over the past year, we've come to better understand the cannabis market, the tremendous growth opportunity it presents, and Canopy's market-leading capabilities in this space." Rob Sands, Chief Executive Officer at Constellation Brands, said.⁴⁹ On September 2019, Aurora Cannabis sold its remaining shares to The Green Organic Dutchman.⁵⁰ Those are only a few examples that show that not only is the cannabis market concentration increasing, which highlight the fierce competition, but also that cannabis market is a stake for other industries.

Data available through the stock website [investing.com](#) enables us to underline the volatility of the market. After a significant in exchange rate that seems to stem from a huge enthusiasm, since March 2019, big names of cannabis and CBD market have **their rates decreased**. Despite an increasing turnover from 2016 to the end of 2018, some of those groups' **net income have significantly declined**. For instance, Canopy Growth Corp.'s net income decreased from \$-3.5M (03/31/2016) to \$ -685.44M (03/31/2019), and Tilray Inc.'s net income declined from \$ -7.88M (12/31/2016) to \$ -67.72M (12/31/2018)

48 Press Release Businesswire, (March 08, 2019), "Altria Becomes Largest Shareholder in Cronos Group, a Leading Global Cannabinoid Company", Markets Insider, available at: <https://markets.businessinsider.com/news/stocks/altria-becomes-largest-shareholder-in-cronos-group-a-leading-global-cannabinoid-company-1028015439> (accessed date: 09/20/2019)

49 News Provided by Canopy Growth Corporation, (August 15, 2018), "Constellation Brands to Invest \$5 Billion CAD [\$4 Billion USD] in Canopy Growth to Establish Transformative Global Position and Alignment", Cision, available at <https://www.prnewswire.com/news-releases/constellation-brands-to-invest-5-billion-cad-4-billion-usd-in-canopy-growth-to-establish-transformative-global-position-and-alignment-300697445.html> (accessed date: 09/20/2019)

50 News Provided by Aurora Cannabis Inc., (September 04, 2019), "Aurora Cannabis Announces Sale of Remaining Shares in The Green Organic Dutchman Sale of Non-Core Holdings Raises Gross Proceeds of \$86.5 Million", Cision, available at: <https://www.newswire.ca/news-releases/aurora-cannabis-announces-sale-of-remaining-shares-in-the-green-organic-dutchman-sale-of-non-core-holdings-raises-gross-proceeds-of-86-5-million-872775409.html> (accessed date: 09/20/2019)

WHAT DOES CBD AND LEGAL CANNABIS MARKET CONSIST OF TODAY? WHAT WILL THEY CONSIST OF IN THE (NOT SO FAR) FUTURE?

To figure out why cannabis market is skyrocketing, one must understand the consumer trends that lie behind. Those trends account for the rising demand for cannabis and hemp-derived products.

In November 2018, BDS Analytics published its [top 10 cannabis market trends](#). Among them, **affordability**, **brand surge**, demand in **variety**, forms follow **function**, marketing for **mood**, **luxury brand** development.⁵¹

In 2019, another [report published by BDS Analytics](#) displayed 2019 Cannabis market trends, which stresses new important key drivers in cannabis and CBD market expansion. For instance, it stresses the emergence of cannabis **social consumption**, the **rise of cannabis-infused beverages**, the CBD explosion, the **brand strengthening** against generics and the demand for **convenience** in shopping.

It also highlights the fact that consumers **are aging** and some of them develop a medical interest in cannabis in order to alleviate aches, pains or diseases related to aging. The report also recalls that the line between **medical and recreational consumption is blurry**: the distinction is merely a legal thing. Legalizing medical consumption is the first step in the whole legalization process. It also underlines the importance of **outcome-based products**, that guarantee control over the quantity consumed. The last important trend is the **refocus on the core**. Consumers value quality and innovation, but they also value sustainability in production and distribution. Local, natural, organic, social interested, back-to-basics brands are the new keywords when shopping.⁵²

Food and beverage market: why would it work?

A study by Deloitte, [Nurturing new Growth | Canada gets ready for Cannabis 2.0](#), revealed that current users' main reasons for use of cannabis-infused edibles are to **have fun with friends** (53%), to reduce **stress or anxiety** (41%), to help you relax or sleep (41%), to **improve your mood** (41%) and to use it as an **alternative to alcohol** (37%). Likely users' main reasons are to have fun with friends (47%), to help you relax or sleep (45%), to reduce stress or anxiety (43%), to **not smoke/vape cannabis** (43%) and to use it as an alternative to alcohol (37%).⁵³

- **Cannabis in alcoholic drinks: toward a mindful consumption**

According a [study by IWSR](#), worldwide alcohol consumption has declined 1,6%. Spirits consumption has increased, but beer and wine volume has decreased. Reversely,

⁵¹ BDS Analytics (November 16, 2018), "BDS Analytics' Top 10 Cannabis Market Trends for 2018 (UPDATED 11/16)", available at: <https://bdsanalytics.com/bds-analytics-top-10-cannabis-market-trends-2018/> (accessed date: 09/27/2019)

⁵² BDS Analytics, (2019), BDS ANALYTICS' Top Ten Cannabis Market Trends for 2019, presented by R. Bingham and J. Lukas

⁵³ Deloitte. (March 2019), Nurturing new growth | Canada gets ready for Cannabis 2.0

low- and non-alcoholic products are on the rise: "Low- and non-alcoholic brands are showing significant growth in key markets as consumers increasingly seek better-for-you products and explore ways to reduce their alcohol intake". Non-alcoholic beers are expected to grow at 8,8% and no-alcohol wine at 13,5%.⁵⁴

Given that new scope, cannabis could replace ABV as social lubricant and a new more responsible "buzz". For instance, the brand Lagunitas launched *Hi-Fi Hops* (CBD/THC), *IPA SuperCritical* (THC) and cannabis beers.

- **Cannabis in soft drinks**

So far, cannabis and hemsps are **mostly used in hot drinks**: tea, infusions and even coffee (Brewbudz's coffee pods for instance). They are associated with **nature, ethic, vegan and wellness and health**, and are recognized for their stress-relief function. But they can also be infused in water (Holland & Barret's *Love Hemp Water*), juices (*Srig CBD Citrus Zero Sugar Carbonated*, GFarma Labs' *G Lemonade*) and energy drinks (Ecoshot).

- **Cannabis in packaged foods**

Hemp is known for its **nutritional qualities** (omega-3, omega-6, proteins) and there are already a lot of edibles available on the market: seeds, oils, proteins bars, chocolate... Now, **more products branded as CBD** can be found (Thempatation's CBD Hummus, Hemp Health Inc's CBD peanut butter). Edible with THC will also develop, following the trend of "mood food" (Chill Chocolate, Dixie's fruit gums). The study by Deloitte mentioned above shows that infused-cannabis edibles mainly used by current users are gummy bears, cookies, brownies and chocolate. Those would also be the main edibles used by likely consumers, but the latter would also use candy, lozenges and gum as well as caramels, chews and taffy, and savoury snacks.

- **Cannabis in food service**

Cannabis food service will not be outdone. For people looking for a new experience, TripAdvisor already has a "Top restaurants for weed". For people wishing for convenience and on-the-go foods, U.S company Nugg can deliver cannabis infused food at your place. Coffeeshops will also have a role to play since they can stand for a socializing hub.

Cannabis in tobacco industry

(U.S.) in January 2018, announced that "overall, cigarette smoking among U.S. adults declined from 20.9% in 2005 to 15.5% in 2016". This let room for **cannabis to gain value in tobacco industry**. Smoking and vaping foster sales of flowers, CBD and THC e-liquids but also gadgetry.

⁵⁴ IWSR, (29 May 2019), "Worldwide Alcohol Consumption Declines -1.6%", available at: https://www.theiwsr.com/wp-content/uploads/Press-Release-IWSR-Releases-New-Global-Data_29May19.pdf (accessed date: 09/27/2019)

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Cannabis in healthcare and beauty

- **Healthcare**

Many CBD oils and capsules are already registered as dietary supplements, topical analgesics, sleep aids, sport nutrition or even digestive remedy. CBD, especially, has turned into a super-ingredient and benefits from a trust halo as it is seen as a natural alternative.

- **Cosmetics**

Hemp has been used for decades in cosmetics by big players as The Bodyshop, or more recently Sephora. However, hemp branding tends to be replaced by [CBD branding](#), as CBD is, here again, considered as the new super-ingredient even for its antioxidant, oil-balancing, anti-inflammatory and soothing properties. Balms, scrubs, creams and serums, bath bomb, masks and even make-up. The possibilities are countless, and **most cosmetics groups or brands are expected to have a CBD product line in their portfolio**. CBD and THC's future also lies in **neurocosmetics**. CBD, CBD/THC, THC creams, would affect not only your skin appearance, but also your mood, your sleep or your appetite even through topical application. LaviGor Laboratorios for instance, have developed Cannabisan line which includes [Cannabisan NeuroCream](#) made with hemp seed oil and melatonin, and which is said to improve topical neurosensorial wellness.

Cannabis in apparel and footwear

Hemp and hemp fibres had always been used to make fabric but ended losing popularity as people started to prefer cotton for clothe-making. Nowadays, more and more people, and consequently clothe-makers, are aware of the numerous challenges related to sustainability in the clothing industry. And so, hemp finally made it to fashion as **fabrics made from hemp are much eco-friendlier than any other traditional fabrics**: hemp production does not need as much water or pesticides as cotton and produce more fibres, hemp is auto-regenerative and absorbs CO₂. Many brands have made hemp (eco-)fashionable.²⁸

²⁸ Boatman-Harrell, J. (August 14, 2019), "When It Comes to Sustainability, Hemp Is The Fabric of Fashion's Future", Hypebeast, available at: <https://hypebeast.com/2019/8/hemp-fashion-sustainability-legalization-cotton> (accessed date: 09/27/2019)

Cannabis in packaging: could hemp plastics replace plastics?

As for hemp fabrics, **hemp bioplastics could be a sustainable alternative to petrol-based plastics** and corn-based bioplastics. Yet, research is still working on it: for now, hemp can only stand for 10% to 30% of the final product. But according to experts, it will be possible in the future to extract the high amount of cellulose from hemp fibres to create a 100% hemp plastic, which would be sustainable. Another challenge is to find the most cost-effective way to produce it because hemp still cannot compete in terms of costs.²⁹

Cannabis in tourism

Tourism is increasingly about experience and cultural learning and cannatourism is no different from tea or wine tourism. Cannabis cultivation places, like the “Emerald Triangle” in the USA, are likely to be new touristic attractions, and many “cannabis tours” are proposed already sold by tourism agencies. Colorado and California, Jamaica and its Bud & Breakfast, Amsterdam and Barcelona are becoming popular canna-destinations.

Cannabis in pet care

Humans and animals have a lot of thing in common, especially the endocannabinoid system. This is the reason why [medical cannabis also works for pets](#). Pets are often considered as a member of the family, so **owners are often willing to invest in their animal's wellness**. So, cannabis also has a bright future in pet care industry: pet shampoos, Purity Petible's Hemp Pet Chew, Canna-Pet's Canna-Biscuits and CBD capsules and tinctures, Therabis' CBD oil sachets are just a few examples of what is being done for pet care.

Cannabis in luxury sector

Cannabis has never been considered as a luxury good. However, according to an [article](#) released by *The Guardian*, the market being in expansion and the consumer profile evolving (more women, more affluent professionals), **some cannabis brands have decided to position themselves on high-end and luxury segments**. They resort to the same effects that prompt people to buy any luxury good and also have to meet client's expectations and luxury standards in terms of quality, social distinction and sustainability. Branding, marketing, story-telling... everything is carefully thought out. For example, “ultra-premium” brand Cannadescent use the same shade of orange as Hermes for its boxes of joints. Barney's opened a high-end shop called The High End in Beverly Hills, in which you can acquire gadgetry like the sterling silver Mini Bic Lighter,

²⁹ Barret, A. (May 4, 2019), “Hemp Plastic | A Solution to Cannabis Waste Too Good to Be True – For Now”, Bioplastics News, available at: <https://bioplasticsnews.com/2019/05/04/hemp-plastics/> (accessed date: 09/27/2019)

pre-rolled joints, CBD lotions and even cannabis perfumes.³⁰

To conclude, cannabis market will disrupt most of FMCG industries since it can be used for so many purposes and so many different ways. The last blockade is law, and it is likely to fall in a near future.

Halperin, A. (September 16, 2019), "Blingy vaporizers and gold rolling papers: luxury cannabis brands court the affluent", The Guardian, available at: <https://www.theguardian.com/society/2019/sep/15/blingy-vaporizers-and-gold-rolling-papers-luxury-cannabis-brands-court-the-affluent> (accessed date: 09/27/2019)