

FinCanna CEO on the largest cannabis market opportunity in North America

written by InvestorNews | August 19, 2019

“We are a royalty financing company focused on the US, particularly California. We finance companies in exchange for a royalty which is a percentage of their topline revenue and in perpetuity...Our royalties average about 10% of topline revenue. As the companies grow and they scale, our revenue scales with them.” States Andriyko Herchak, CEO and Director of [FinCanna Capital Corp.](#) (CSE: CALI | OTCQB: FNNZF), in an interview with InvestorIntel’s Tracy Weslosky.

Andriyko went on to discuss that California is the largest cannabis market in North America and is about twice the size of all of the Canadian cannabis market put together. The California market is still in its early days and presents a good opportunity for investors who have missed the Canadian cannabis market boom.

To access the complete interview, [click here](#)

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David Sutton on innovation in the cannabis market and what's next for NanoSphere Health Sciences

written by InvestorNews | August 19, 2019

"Listing in Canada gave us enormous exposure as well as helped us identify a partner, a licensed producer, there that could help us expand our exposure to the cannabis market. Canada is on the forefront of doing this on a global basis. It made sense to look to Canada and to Delta 9 as providing that avenue...They are very innovative in how they are growing. They are using new technologies to ensure a better product. They are using these pots. We saw their innovation and our innovation in how to deliver cannabis as a match made in heaven." States David Sutton, President and Director of [NanoSphere Health Sciences Inc.](#) (CSE: NSHS), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: David we know that InvestorIntel audience members like the jockey. It is a very competitive market out there. You have quite the reputation for actually turning transformed concepts into profitable businesses. You selected NanoSphere. Can you tell us why?

David Sutton: Absolutely. This technology has disruptive capabilities in multiple industries. When you have a piece of technology that can do that, the potential for profitability and revenue growth is phenomenal.

Tracy Weslosky: David, in addition to selecting NanoSphere as a candidate you want to turn into a profitable business, are there

any benefits on listing and being based in Canada? How does this Delta 9 fit into this program?

David Sutton: Listing in Canada gave us enormous exposure as well as helped us identify a partner, a licensed producer, there that we could expand our exposure to the cannabis market. Canada is on the forefront of doing this on a global basis. It made sense to look to Canada and to Delta 9 as providing that avenue.

Tracy Weslosky: David I obviously do not have my head around Delta 9. Can you tell us a little bit more about this competitive technology?

David Sutton: They are very innovative in how they are growing. They are using new technologies to ensure a better product. They are using these pots. We saw their innovation and our innovation in how to deliver cannabis as a match made in heaven.

Tracy Weslosky: Speaking of Canada and, of course, North America, you just recently announced that you began production through one of your vertical companies in California. Can you give us some highlights of this deal please?

David Sutton: Absolutely. The company is actually called Vertical Companies. Why we selected them to license our technology to is, as the name suggests, they are vertically integrated from grow all the way through distribution, which is key in the California market as they require a third-party distribution to get your products into retail outlets.

Tracy Weslosky: You have just moved into Indiana with your NanoSerum Hemp solution. This sounded kind of fun. Can you tell us a little bit more about this?

David Sutton: This is our hemp-based CBD product that can now be

shipped across state borders. Has a lot of the similar benefits that our other products do, but now we have a wider audience. Not everyone likes to get high every day, but everybody likes to take a dietary supplement or receive the benefits of CBD every day. It is an enormous market that we are launching in the Midwest to start.

Tracy Weslosky: The ten story vantage point for NanoSphere really has to do with your patent for the nanoparticle delivery system. I think it is a good time to remind us all about this competitive advantage.

David Sutton: Absolutely. We have 2 patents. The first patent revolves around our nano encapsulation technology and how we put that together no matter what we put inside of it. It provides us protection in any industry that we are operating in. Now our cannabis patent that utilizes what we call the master patent provides us wide protection in the cannabis space. It provides better bioavailability, consistent dosages and unique benefits that you cannot find anywhere else...to access the complete interview, [click here](#)

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**C02 GRO's Sam Kanen on
building revenue growth**

through flowers.

written by InvestorNews | August 19, 2019

"We started 6 years ago in algae, hydroponic lettuce, hydroponic peppers at University of Guelph. Our journey was never cannabis to begin with. Cannabis showed up all hot and bothered last year. Now it is under some stress because people are realizing growers will ultimately have excess capacity and we are efficiency improvement for them to maintain margins as they shrink..." States Sam Kanes, VP of Business Development and Director at [C02 GRO Inc.](#) (TSXV: GROW), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: Let us start by congratulating you. News just out, your [Michigan Flower](#) grow trials have just come in. Can you talk to us a little bit about this?

Sam Kanes: Sure. It has been going on for 3 months now. We have had 5 trials do date. All of them show outstanding acceleration of growth and therefore value to future customers of ours. They came in Michigan, the Kalamazoo area. That is the number 3 growing area in the U.S. in terms of greenhouses. A lot of those are flowers. Our first U.S. representative that is with us now full-time as of this week, courtesy of raising some money, is in Kalamazoo. He is going to start there, work his way through Michigan, Ohio and the U.S. Midwest making commercial revenue for us in flowers.

Tracy Weslosky: I will tell you, we love your trading symbol, GROW, G-R-O-W. Can you dumb this down for us a little bit, I had previously understood that say you have 4 crops of cannabis in a greenhouse that you would then have 5 by utilizing the C02 GRO patented technology. Let us start there. Can you correct me and help our viewers understand GROW better?

Sam Kanes: Cannot correct you because you are accurate. You are also accurate, by the way, the flowers. If you have a 3 month month cycle, we can make that 2 months. You add additional crops in the world of flowers as well as anything else that you want to mature faster than you are otherwise doing. Lettuce we have said now is probably 2 extra crops in California with confidence. They grow 4. We believe we can grow 6 because they are 99% leaves and leaves are what we grow the best and the fastest with our technology.

Tracy Weslosky: You really had a lot of foresight to get into this particular sector because you can take advantage of the cannabis sector and agribusiness. Is that correct?

Sam Kanes: No. We started 6 years ago in algae, hydroponic lettuce, hydroponic peppers at University of Guelph. Our journey was never cannabis to begin with. Cannabis showed up all hot and bothered last year. Now it is under some stress because people are realizing growers will ultimately have excess capacity and we are efficiency improvement for them to maintain margins as they shrink on a go forward basis down towards other growers of other commodities like flowers and corn and cotton.

Tracy Weslosky: Sam I understand that CO2 GRO's most competitive advantage, the key word here is greenhouses. Is that correct?

Sam Kanes: That is not quite correct. Greenhouses come in all shapes and sizes. Some that use CO2 gas will help a little bit in terms of their incremental value. They are averaging about 33% more yield when they add CO2 gas in their greenhouses, but most greenhouses worldwide are porous or in fact open air, like California's, which we visited a month ago. There you have a million square foot greenhouse, it has not wall. It has not glass. It has no structure. It is wide open. You cannot use CO2 gas in there...to access the complete interview, [click here](#)

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How to Lose Money in Cannabis.

written by InvestorNews | August 19, 2019

"Some of the massive cannabis stocks will die and disappear. The global market simply is not large enough to justify the combined market caps of these stocks. Why? It's a risk-return scenario and a lot of cannabis investors happily sit back chewing on a bag a Doritos instead of looking at the risks underlying the market and police involvement in Canada is a massive risk." States Peter Clausi in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: Today I have the pleasure of speaking with Peter Clausi about Canada's legalization of marijuana. How are you today Peter?

Peter Clausi: Overall I am very pretty good but I am still confused about the process.

Tracy Weslosky: Are you confused about the legalization process or what exactly are we talking about here?

Peter Clausi: I have been calling for decriminalization for years. You knew it was coming. No reason why it shouldn't have come but the Liberals have a done a terrible job in managing this process and as a result municipalities are unprepared, provinces are unprepared and most importantly police departments are unprepared. There is going to be a terrible social cost to the Liberals mishandling of this process.

Tracy Weslosky: I am going to ask you to dumb that down for some of us that are involved more specifically in investing in the cannabis sector. How is this going to impact cannabis stocks?

Peter Clausi: You remember WorldCom? Too big to fail? It failed. How about Global Crossing? Too big to fail? It failed. Enron, the list goes on and on. Some of the massive cannabis stocks will die and disappear. The global market simply is not large enough to justify the combined market caps of these stocks. Why? It's a risk-return scenario and a lot of cannabis investors happily sit back chewing on a bag a Doritos instead of looking at the risks underlying the market and police involvement in Canada is a massive risk...to access the complete interview, [click here](#)

C02 GRO's John Archibald on Revolutionizing the Cannabis Market through Technology

written by InvestorNews | August 19, 2019

"It is based on the fact that we grow it more quickly and we are getting a higher bud grade. When you take those two things together we are getting 45%. To add to that the THC levels have increased as well. We did not include that in that 45%. In our second set of results we actually increased it to 60% and we did include the fact that we had increased the THC levels for total bud value." States John Archibald, CEO and Director of [C02 GRO Inc.](#) (TSXV: GROW), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: John, so happy you could join us because I thought this headline was substantial, [C02 GR0 Revolutionizing Cannabis with a 45% Bud Value Increase](#). Okay, is it just me or is that not phenomenal?

John Archibald: That is very, very, very good. It is based on the fact that we grow it more quickly and we are getting a higher bud grade. When you take those two things together we are getting 45%. To add to that the THC levels have increased as well. We did not include that in that 45%. In our second set of results we actually increased it to 60% and we did include the fact that we had increased the THC levels for total bud value.

Tracy Weslosky: For everybody out there in InvestorIntel that is interested in the cannabis market and they are looking for ways to get involved, but maybe not quite directly due to the challenges with legalization, and there is a lot of confusion in this market. C02 GR0, if I dumb this down a little bit, is actually a technology that can be utilized in any agribusiness opportunity. Is that correct?

John Archibald: Certainly. Basically it is the foliar spray of water that is saturated with C02. What happens is that the C02 goes onto the leaf and the leaf cuticle is a semi permeable membrane and the C02 will go into the leaf and it causes it to grow more quickly. In essence that is what happens. It is a very, very simple process that can be integrated into almost everybody's irrigation systems.

Tracy Weslosky: Of course, in the cannabis market we have a race with all these companies trying to attract everybody's investment dollars. They must be lined up at your door because if I understand correctly, is this correct, instead of maybe having 4 crops a year they can have 5? It is that significant. Is that what we are talking about?

John Archibald: They could have an extra crop per year, yes. We are certainly talking to a lot of big LPs right now about doing trials with them.

Tracy Weslosky: What about your patent? I think we discussed this last time. Can you give me an update on this process?

John Archibald: Certainly. We had filed a provisional patent. We had filed the provisional patent and then done all the research work to back up our claims. We have done all that work in the past 12 months. Now the patents have been totally submitted and are pending. They have gone from a provisional status to a patent pending status.

Tracy Weslosky: C02 GRO, which is GROW on the TSX Venture, last month you were up like 45%. What should we as shareholders anticipate this next month because this news has just come out in the last week?

John Archibald: I think we are going to see the share price keep going up. As we start doing some real work with the LPs I think you will see that the share price surge ahead again...to access the complete interview, [click here](#)

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An EPIC insurance solution for

the Cannabis industry

written by InvestorNews | August 19, 2019

June 5, 2018 – “We sought to look at a number of insurance solutions and risk management solutions for the cannabis industry. We initially looked at the business side. We were looking at the commercial risks in the industry. We very quickly turned our attention to looking at the consumer and the consumer issues that were being experienced at the time; everything from patient acquisition, patient retention that the LPs were experiencing. It got us to thinking that we really needed to develop more of a patient- centric model.” states Robert Wilson, CEO and Director of Evergreen Pacific Insurance Corporation, in a recent presentation at the 7th Annual InvestorIntel Summit – Buds, Batteries & Blockchain 2018.

Robert Wilson: Last few months we have spent a lot of time at Evergreen working on planning what we are going to be doing and now we are actually doing it. We are in execution mode. We are officially launching as an insurance business. We are launching a marketplace and we are launching a brokerage business here in Canada. It has been a bit of a journey. I started a couple of years ago with my colleague and co-founder, Paul Laverty. We sought to look at a number of insurance solutions and risk management solutions for the cannabis industry. We initially looked at the business side. We were looking at the commercial risks in the industry. We very quickly turned our attention to looking at the consumer and the consumer issues that were being experienced at the time; everything from patient acquisition, patient retention that the LPs were experiencing. It got us to thinking that we really needed to develop more of a patient-centric model. Our focus right from the get-go was to focus on the patient and focusing on the consumer. Because of that the challenge really at the time was looking at the whole process;

looking at the experience of the consumer and trying to reduce the friction points. We felt that insurance and insurance products would be a great way to do that. There is also legitimacy and legitimization of the medical cannabis industry. We felt that this would be a great way for us to introduce those products. Also we noted, and I think this is borne out by a lot of the Health Canada statistics that the production-centric model, that the approach that has been taken by the licensed producers, it just has not been effective. It is a real challenge. It has been very difficult for them. Patient acquisition and patient retention is extremely challenging. We can talk about that a little bit later. Our innovative solution is built from the bottom up. We have really taken a hard look at every aspect of the industry and all the friction points and we have tried to address them. We are going to be first to market really for a product to suit the individual. We are doing so in a very innovative way. We are targeting this quarter to launch the product for the individual, which will be shortly followed thereafter for the group. These are employer groups in associations. Paul and I combined, for over half a century of experience in financial services, in particular within the insurance industry. We expect to see a substantial top-line growth in this business just in the individual, just on the consumer insurance. What is the real challenge that we have been seeking just to try and solve? I think the fundamental challenge that we have been looking at is trying to address, what is it that the consumer needed to see? They want to see value clearly. They want better selection. They want service and ease of access and payment. We come in and we focus in on ease of access and payment. That is something we know we can do...to access the complete presentation, [click here](#)

Cannabis and Blockchain, the CSE's record breaking year

written by InvestorNews | August 19, 2019

May 31, 2018 – “I am here to give you an update on the CSE. In a word we are busy. 2017, we were busy. It was a record year. We have had a record year almost every year, but this one exceeded all others. At the end of the year we had 35 companies with a market cap each of over \$100 million dollars. It was the first time that our companies collectively and there were about 310 on average last year I would say, that raised over a billion dollars in financing.” states Rob Cook, Senior Vice President of Market Development of the Canadian Securities Exchange, in a recent presentation at the 7th Annual InvestorIntel Summit – Buds, Batteries & Blockchain 2018.

Rob Cook: I am here to give you an update on the CSE. In a word we are busy. 2017, we were busy. It was a record year. We have had a record year almost every year, but this one exceeded all others. At the end of the year we had 35 companies with a market cap each of over \$100 million dollars. It was the first time that our companies collectively and there were about 310 on average last year I would say, that raised over a billion dollars in financing. Due to the volume of our trading, it was the first time that our 300 odd companies traded more on a couple of days in December more than all of the companies on the TSX Venture Exchange in each of volume, value and trades. We had a lot of trading. Here is our 5-year trading trend. I think it is fair to call this a hockey stick. There are not too many hockey sticks that you will see in a graph that are not

projections. This one is historical. We are happy with that. You can see there is active trading, but is there liquidity? It is a small stock exchange. Most people seem to assume that there is going to be less liquidity on the CSE than on other stock exchanges that have a much bigger list. Turnover is a measure of liquidity. It is one that is easy to find. You take the value of the trading of all the shares and you divide that by the market cap of the companies whose shares you are trading. This is a monthly slide. I think you can guess that the red line is the CSE because it is the highest on the slide. I may not be showing it to you if it was not, right? The black line is the TSX and it is a more stable trading environment partly because it is larger, partly because it is large cap stocks. Typically it runs 4% to 5% a month turnover in trading. Our peak was over 30% in December. Yes, that was powered largely by cannabis. Some people claimed it was all cannabis. It is not true. It is only about 90%. It has obviously come off quite a bit since then, but in March our turnover was 13% compared with 5% on the other exchanges in Canada. We are not actually showing this to tell you that our market is more liquid than their market. What we have always told people is that the stock exchange does not give you liquidity. Liquidity is a function of investors' interest in trading the securities that are listed on your exchange. Obviously there was a lot of investor interest. All of the investors in our marketplace are part of the Canadian capital markets so we have the same dealers, the same investors. We do have different companies. That was a very big year for us. This slide shows growth in listings on the CSE. It goes back to 2007...to access the complete presentation, [click here](#)

Global Cannabis Applications' Brad Moore on the impact of artificial intelligence in the medicinal marijuana market

written by InvestorNews | August 19, 2019

April 29, 2018 – “We use different forms of artificial intelligence to actually come up with a product of data that dispensary workers, LPs, and retailers can use to create better prescriptions so that when you go home you have more confidence that certain products can help you with your glaucoma or your arthritis or whatever ailment that you are suffering from.” states Brad Moore, CEO and Director of [Global Cannabis Applications Corp.](#) (CSE: APP | OTCQB: FUAPF), in an interview with InvestorIntel’s Peter Clausi.

Peter Clausi: It feels like the cannabis industry has been around forever. I am sitting here drinking my breakfast with an old Abba Medix mug, but the industry is changing rather rapidly. We see it evolving into a more high-tech area and your company is in that space.

Brad Moore: Yes it is. A lot has changed over the last couple of years. We have gone from lots of growing. Now into we have to start looking at how we are going to sell this stuff and what products are going to work best and that is data.

Peter Clausi: For about the past year Global Cannabis has been working with various forms of blockchain technology and distributed ledger technology to try and build up data that is saleable. Can you tell us about your basic revenue model?

Brad Moore: Sure. Our basic revenue model is we basically look at various forms of data, from the anecdotal side to clinical trial side. We use different forms of artificial intelligence to actually come up with a product of data that dispensary workers, LPs, and retailers can use to create better prescriptions so that when you go home you have more confidence that certain products can help you with your glaucoma or your arthritis or whatever ailment that you are suffering from. Part of the big revenue model comes just from that ability to provide access to people to that data.

Peter Clausi: Are you doing the actual testing or are you aggregating test results from third parties?

Brad Moore: We are actually aggregating data from two different sources from the clinical studies. We will be participating using our own cryptocurrency and finding clinical studies. We are pretty excited about that as it launches. The other way is we have two input devices which we are launching that will soon have a significant amount of cannabis users on it and we use social listening to bring those anecdotal inputs. You have to remember just because 50 people were in a study and they are talking about what products or they are getting studied to see for a certain strain to see if it helping with arthritis there is tens of thousands of people online having that exact same conversation. We use cutting edge technologies to bring it in.

Peter Clausi: Nice. One of the problems in the space is that the government has had a stranglehold on the feed of cannabis for so long there is actually very little data out there. Aggregating reliable anecdotal evidence is a big part of the data.

Brad Moore: And you have to measure. That is why the studies that are there so important. When we look at the way our system looks is we actually look at the individual. We do not look and

say, like, 25% of people said this in a study. We look at the exact answers so that when we have people online we compare those and that is where the machine language in the narrow path neurological pathways come in actually extrapolating...to access the complete interview, [click here](#)

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C02GR0's CEO on the only patent in the world that sprays C02 infused water onto plants

written by InvestorNews | August 19, 2019

April 18, 2018 – “The whole idea of the patent is that it is very unique. It is the only patent in the world that we can find that talks about the spraying of C02 infused water onto plants. The test results that we are getting now prove it out.” states John Archibald, CEO and Director of [C02GR0 Inc.](#) (TSXV: GROW), in an interview with InvestorIntel's Andy Gaudry.

Andy Gaudry: There has been a lot of exciting things happening for you recently. You guys were recently named a top 50 company by the TSXV. How has that added exposure helped the company?

John Archibald: It has helped us. It, sort of, underscores our strategies and growth models as seen by the shareholders and investors.

Andy Gaudry: That is fantastic. I know last time when you were in Mr. Kanes mentioned you guys were on target for revenue by Q3 of this year. Are you guys still on target for that?

John Archibald: We certainly are. We are definitely on for Q3. We are actually hoping to sneak a little bit into Q2. We are advancing that rapidly with our growth trials.

Andy Gaudry: Onto your growth trials in your recent corporate announcement, how are the growth trials coming?

John Archibald: They are going very well. We have got 4 legal ACMPR cannabis growth trials. We have got some microgreens growth trials and we are having those backed up by a research at a major U.S. AG university. They are going very well. We are seeing excellent results.

Andy Gaudry: Can you touch a little bit more about the results that you are dealing with?

John Archibald: We are visually seeing very good results within the cannabis, but we have yet to do an analysis. We will not have those results for about another 6 to 8 weeks.

Andy Gaudry: In addition to your cannabis growth trials, can you tell us a bit more about your microgreen trials?

John Archibald: Yes. We are doing microgreen trials as well. Those are a little shorter than cannabis trials. Typically microgreens grow from about 10 days to about 30 days. We are doing various trials there. Looking at starting with no nutrients, no additional nutrients and then balancing nutrients with the addition of the CO2 foliar spray. We have already got very good measureable results and we are expecting to improve those.

Andy Gaudry: Can you touch on about your urban agriculture

initiatives?

John Archibald: Yes. Urban agriculture, sort of, ties in with our microgreens. They are grown within a 40-foot container. They are hyper grown. It is a controlled atmosphere and they are stacked in the container. They get 5 to 10 times the amount of growth that you normally would get in an outdoor situation. It is becoming increasingly popular. There is a variety of companies out there that have gotten into this space both in North America and Europe and it is a huge opportunity for us because we give them that additional grow with the CO2 foliar spray.

Andy Gaudry: Can you please expand on your CO2 foliar spray patent?

John Archibald: I can. We wrote that patent last July. The trials that we are doing right now are proof of the patent itself. The whole idea of the patent is that it is very unique. It is the only patent in the world that we can find that talks about the spraying of CO2 infused water onto plants. The test results that we are getting now prove it out...to access the complete interview, [click here](#)

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Smoked! Govt Finally Admits No

Marijuana Legalization by July

written by Peter Clausi | August 19, 2019

The cannabis market continues to be a trader's market. It's not for investors. The difference is the inexplicable random gyrations in the trading of the public marijuana companies' shares. Up three dollars, down two, up four, down two, then sideways... that's the average weekly chart in the cannabis space.

It's a strange market. Good news can send share prices down. News that should crater the stock instead pushes it up. It brings back memories of the [internet boom in the late 1990's](#).

Canopy Growth Corporation (TSX: WEED) is the largest cannabis company in Canada. Its current market cap is \$5.5Billion, with close to 200,000,000 shares outstanding. Its year high was \$44 a share, but those same shares can be bought today for around \$28. That's a \$14 per share difference, and that share price difference represents about \$2.8Billion in market cap difference. But the company is substantially the same – that \$2.8B market cap delta was not driven by a fundamental change in anything except investor sentiment. Value created and destroyed by mere perception, not facts. And that, is a trader's market.

If further proof is needed, look at Aurora Cannabis Inc. (TSX: ACB | OTCQX: ACBFF). It's one of our long-term favourites to survive the inevitable carnage in this sector. Its low over the past 12 months was \$1.90. One hundred and ninety pennies. Today, it's trading about \$11, after stretching to hit a high of \$15.20. With 470M shares out, the market perceives Aurora having created about \$4.7B of value over the past 12 months. Not even Aladdin with his magic lamp could do that.

The main reason for the irrational exuberance (thank you Alan Greenspan) is the federal government's campaign promise to

decriminalize cannabis. Investors know the medical market is limited in size, and the real \$\$\$ will be in the recreational space, if it ever happens. Almost everyone takes it for granted that decrim will happen, on schedule, on July 1, 2018, despite the well-known fact a politician on a campaign trail makes more empty promises than does Harold Hill.

Also take into account the potential size of the market. Don't trust the numbers from people in the market who have a clear vested interest in a huge number. Instead, look to independent data sources, such as the [survey of 1,500 Canadians](#) conducted by Abacus Data on behalf of *Maclean's* as part of [The Canada Project](#). It found that 84 per cent of respondents over 18 *never* smoke marijuana, and of the 16 per cent that do, daily users amount to only 5 per cent, and 3 per cent say they use a few times a week.

5 per cent of 32 million Canadians is 1.6M daily users. That sounds like a lot, but consider there are 89 licenced producers with many more applications in the pipeline. That's not a lot of users to spread around, and it gets worse when you consider that taxation and price controls have not yet been finalized. For many of the LP's, the only end game will be consolidation or bankruptcy.

Public consultation by the feds only closed three weeks ago on January 20, 2018. The infrastructure issues are so deep, so broad, so regulated by at least three other levels of government, that there is no way decrim can be implemented on the Liberals' schedule.

We've been warning about this since the Liberals started promising in 2014. This will be the fourth year that we've warned investors not to trust the government. Every time we've pointed this out, traders have objected: "The Liberals promised

it and the govt needs the tax revenue. *Of course* cannabis will be decriminalized.”

The Senate has already indicated it will not simply accept the Liberals’ legislation, and there are still the persistent barriers created by international treaties like the [Single Convention](#) that need to be overcome. Even if those huge challenges are overcome, the implementation of the legislation requires a previously unheard-of level of co-operation at the municipal level, across Canada, across ten provinces and three territories.

But the federal government just told the market, NO. The first paragraph from an article in last week’s [Globe and Mail](#) summarizes the facts: “Canadians will have to wait until late in the summer before they will be able to legally consume cannabis under a new timeline laid out by the federal government – even if the Senate votes in favour of the legislation by May or June.”

In a slippery bit of news that fell sideways into the media, Health Minister Ginette Petitpas Taylor told certain members of the Senate that the feds will wait 8 to 12 weeks after the legislation is passed (if it ever is passed) before actually decriminalizing cannabis, to give provinces and municipalities the time to create an implementation structure. If the legislation is passed for July 1/18, that means the earliest you can buy weed legally would be for your Thanksgiving party. This dovetails with our warnings that the government’s timeline was impossible (see for example our detailed [article from Sept/17](#)).

That interim period is important. It matters because it negatively impacts cash flow. It negatively impacts balance sheets. It impacts business plans and human resources decisions. And those impacts will play out in the market. The market is

always wrong in the short term and right in the long term.

If you're looking for comfort, the Liberals are not the place to look for it. How about [this](#) recent blumphus from Public Safety Minister Ralph Goodale: "Our goal is this summer in an orderly fashion with all the pieces sequenced in the right order so that they are effective." What does that even mean?

So what to do. One, be realistic. Recognize the reality of the real timetable for decrim. You will not be able to legally buy marijuana outside of the medical market on July 2, 2018. Second, avoid business plans whose survival depends on decrim happening at all. Third, avoid business plans whose survival depends on decrim happening in 2018. Fourth, be a nimble trader, not an investor. Wait to be an investor after the cannabis market has its inevitable severe correction.

Or, you can believe the government's election promise.