

B.I.G Cannabis Workshops Resources



What are the key requirements to start a NYC Business?

- *Come up with a name for the business*
- *Determine whether or not your business will be a Limited Liability Corporation (LLP) or a Corporation (Inc.)*
- *Register your business with the NYS Department of State*
- *For LLPs, you will need to complete and create the Articles of Organization*
- *Get a Federal Tax ID also known as the Employers Identification Number (EIN)*
- *Open up a "Business Checking" account for your business*
- *For those who have never had a business:*
- *When starting a business as a minority/women owner, you must have 100% ownership of your business, or 51% majority ownership to truly receive the benefits of the City or the State procurement opportunities,*
- *Keep copies of all documentation that you utilized to establish your business. These records will be needed for when you apply for cannabis licenses.*

Webinar 1 - Business Basics 101: Do You Have The Right 'Weed Business' Sense?

**Webinar 2 - Cannabis Industry:
'It's Not Just a Nickel Bag'**

Cannabis Industry- Business Opportunities

“It’s Not Just
a Nickel Bag”

LEAH BAILEY

SEPTEMBER 20, 2022

AUDAGIOUSTM

WHO IS AUDACIOUS

EXPERIENCED OPERATORS LEADING RAPIDLY GROWING MULTI-STATE OPERATOR CANNABIS COMPANY

AUDACIOUS OVERVIEW

- MSO (trading on the CSE & OTC) led by Terry Booth, founder of Aurora in Canada, covering all the bases: strategy, team, award-winning brands, product lines, manufacturing, and distribution
- Expanding footprint to states including **Nevada, California, New York, and New Jersey**¹

COMPANY ASSETS & PARTNERSHIPS

- **ALPS (51% stake):** the world's pre-eminent indoor agriculture facility design, construction management commissioning services, and facility success monitoring; 35+ year track record; 100 million sq. ft. history in private and government projects
- **Green Therapeutics:** a multi-award-winning startup with expanding operations in Nevada², California and Missouri
- **LOOS:** innovative cannabis infused beverage line in California with plans to expand into other markets
- **Golden Triangle Health:** expansion into the Asia-Pacific CBD and THC markets through JV with GTH, subsidiary of NR Instant Produce (~\$250M+ market cap)³
- **New York:** imminently closing JV with Native American group to build a complete vertical; and a partnership with Hempire Farms, a New York-based company licensed to cultivate, manufacture and distribute adult use cannabis products in New York
- **New Jersey:** AUDACIOUS & Social Equity & State Resident Partners have won a provisional cultivation license and manufacturer license in New Jersey, and expects operationalization by Q2 2023

1. Referenced states subject to regulatory approval.
2. Subject to regulatory approval.
3. As of June 2022.

AUDACIOUS PARTNERSHIP WITH



LEAH BAILEY

Chief Business Dev. Officer

- Dynamic marketing leader with 30+ years of experience driving revenues and profitability in cannabis and CPG sectors
- Former CEO of Fluresh, a vertically integrated cannabis company. Built operations from a startup to one of the top cannabis businesses in Michigan
- Former President of Global Beauty for Helen of Troy Limited; oversaw transformation of product strategies and operations
- Independent board member of Tikun Olam USA
- Built largest dispensary in Grand Rapids Michigan of 5K sq. ft.
- MBA from Harvard Business School



VINCE FIELD

Regulatory Attorney Consultant

- Former VP of Business Development for Justice Grown focused on strategic growth through license acquisition and partnerships
- Won 80 licenses in some of the most limited license states- NJ, PA, MD, MI, MO, UT, IL
- Civil rights attorney
- Graduated from the University of Chicago Law School in 2011, receiving the full tuition Poole Scholarship

- AUDACIOUS is a cultivator and processor in NY
- We are avid supporters of social and economic equity
- Our partnership with BIG and Bertha is to identify the most effective ways to support social and economic equity efforts and success in NY
- We are proud supporters of the BIG workshops because we believe that education is key to the success of these efforts
- Vince and our team are working on applications for dispensaries for any qualified applicants and will continue to do so. There is no charge for our help. Please contact us if you would like our support

Agenda

- 1 BASIC INDUSTRY OVERVIEW
- 2 DIRECT INDUSTRY SUPPORT
- 3 BUT WE ALSO REALLY NEED...

Basic Industry Overview

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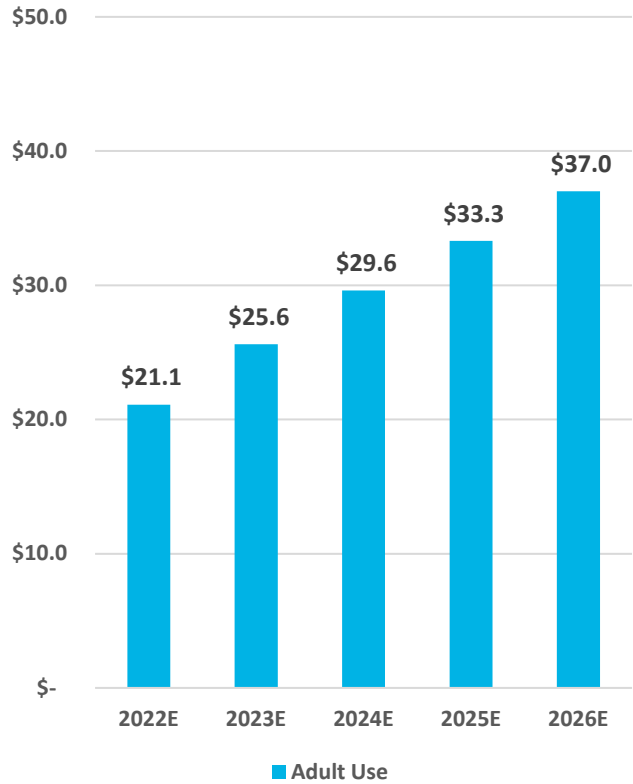
U.S. Cannabis Market

\$52.6 BILLION BY 2026; 2/3 ADULT-USE

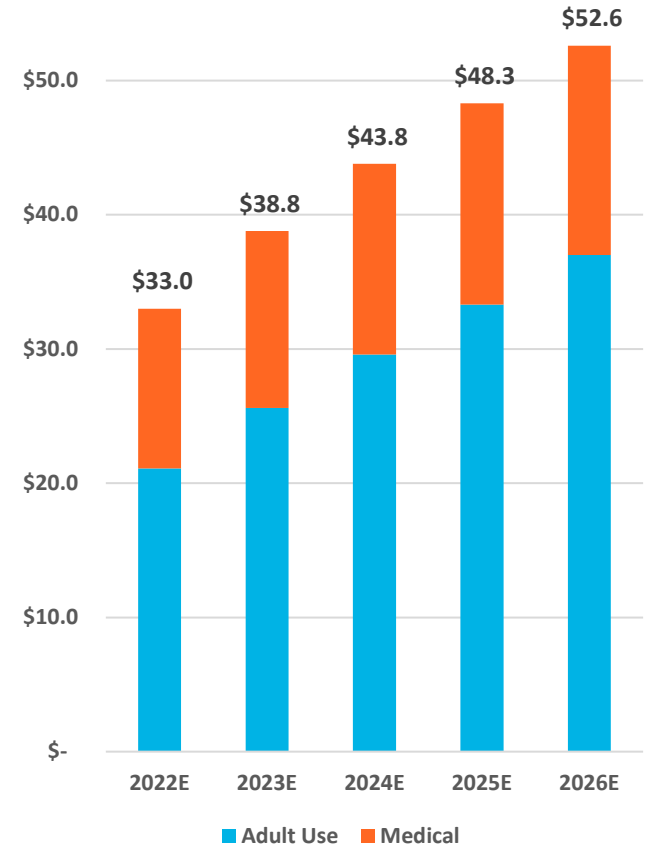
Medical in Billions



Adult-Use in Billions



Medical and Adult-Use in Billions



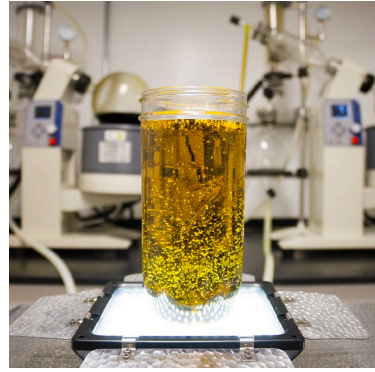
Legalized Adult-Use Cannabis

THE BASIC LICENSE TYPES



CULTIVATOR

- Growing, cloning, harvesting, drying, curing, grading and trimming



PROCESSOR

- Extract concentrated cannabis and/or compounds, blends, extracts, infused or manufactures concentrated products



DISPENSARY

- Retailer who sells any cannabis product at retail to cannabis consumers
- May have an on-site consumption lounge



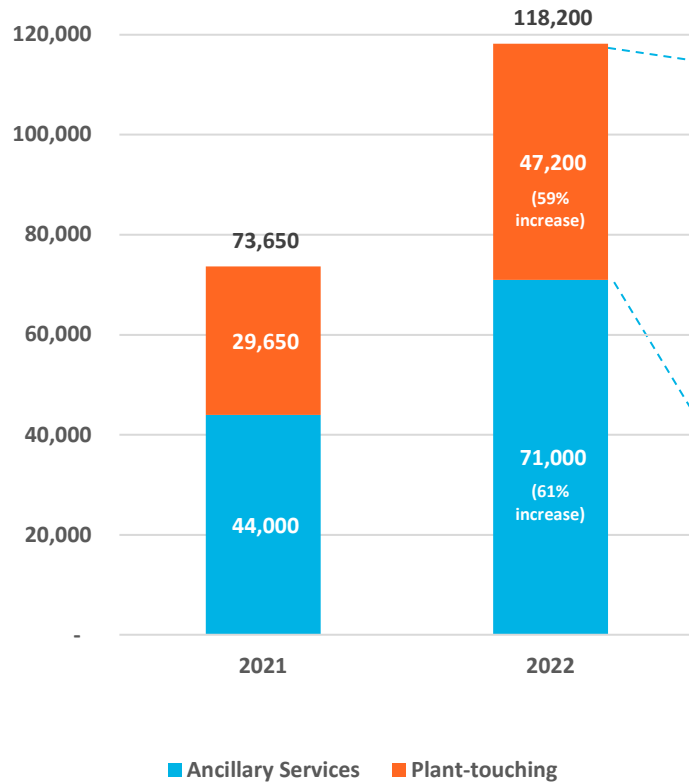
CONSUMER DELIVERY

- Delivery of cannabis products to cannabis consumers

Estimated Number of U.S. Cannabis Businesses in 2022

MEDICAL & ADULT-USE

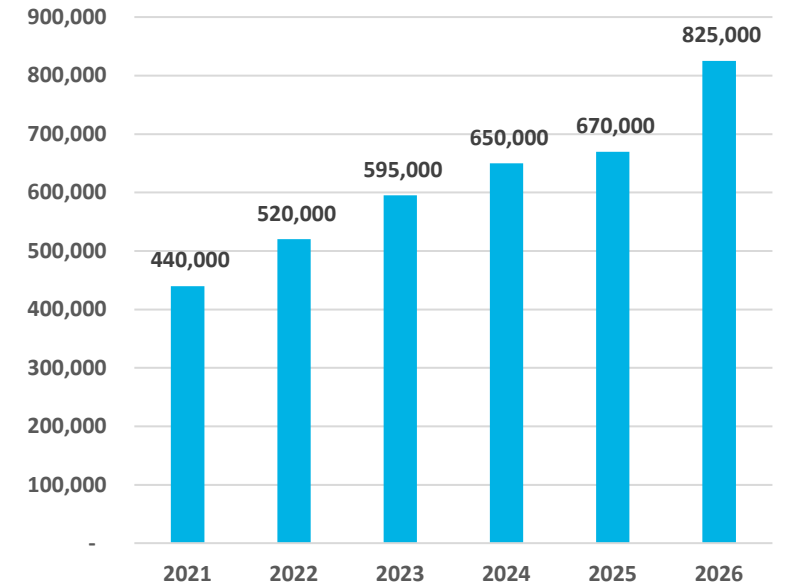
TOTAL CANNABIS BUSINESSES



PLANT-TOUCHING BUSINESSES BREAKDOWN



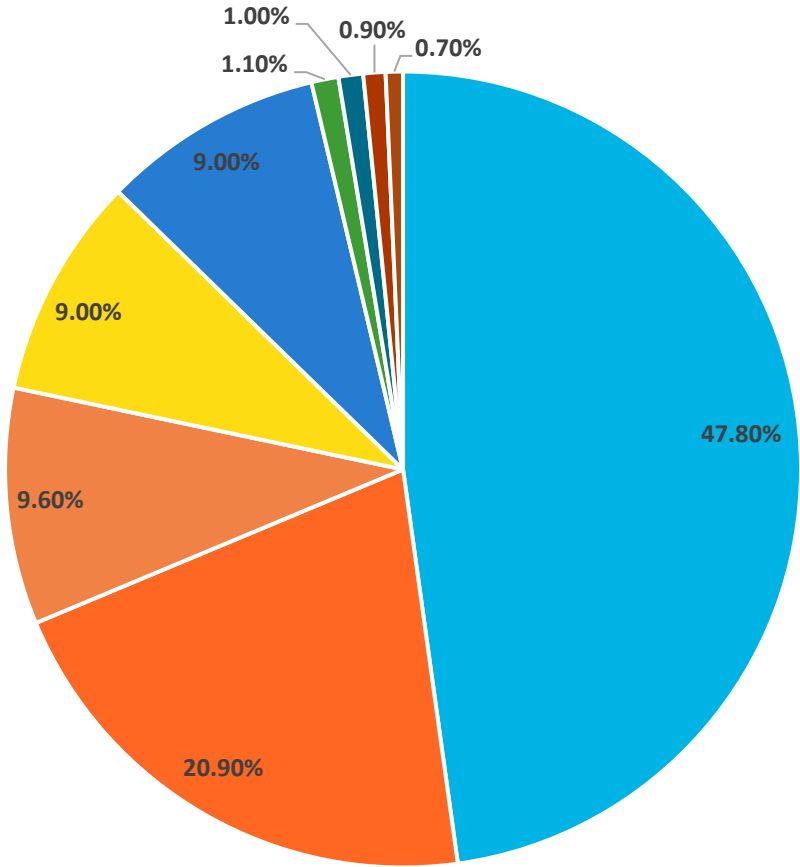
U.S. Cannabis Industry Full-Time Employment Estimate¹



The Number of People Employed in the Cannabis Industry Has Grown Alongside the Increase in Operating and Ancillary Businesses; This Is Expected To Continue on an Upward Trajectory

1. Figures consist of workers directly employed by cannabis businesses, including employees of ancillary companies that support the marijuana industry such as consultants and lawyers

U.S. Adult-Use Cannabis Sales Split



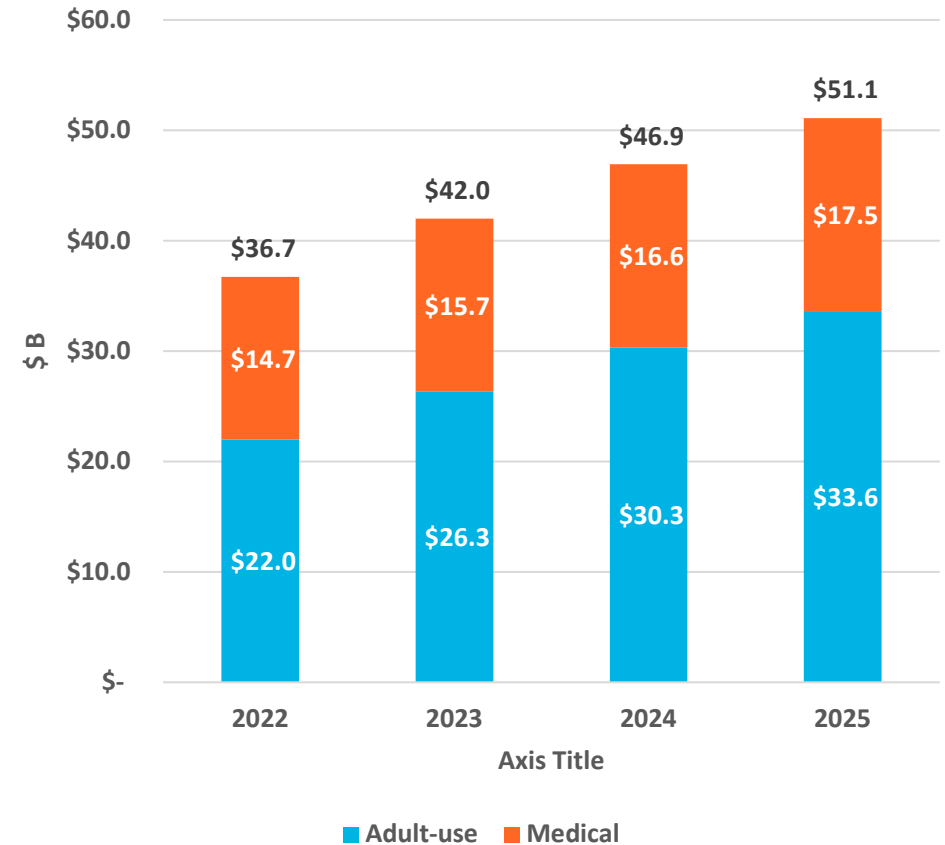
- Flower **47.8%**
- Vape Pens **20.9%**
- Edibles **9.6%**
- Pre-rolls **9.0%**
- Concentrates **9.0%**
- Tinctures & Sublinguals **1.1%**
- Beverages **1.0%**
- Topicals **0.9%**
- Capsules **0.7%**

International Cannabis Overview

- Steadily Growing industry with unparalleled global potential
- Global cannabis market estimated to grow to **\$51B** with a CAGR of **25.5%-32.0%** from 2022-2030
- New markets opening for production / medical and recreational cannabis usage in **Europe, Asia and Latin America**:
 - European countries such as **Luxembourg, Switzerland, Germany** are looking to legalize recreational cannabis with consumer estimations of **22 million users** and a total market size of **\$3.2 B**¹
 - Estimated market size for medical usage in **Asia \$5.8 B**, estimated market size for recreational usage **\$2.7 B**. The combined market for medical Cannabis and hemp in Thailand alone will expand by about 15% annually from 2022 to 2025, it's likely to reach 43-billion-baht (**\$1.2 B**)²
 - Global CBD market growing in all industries including **beauty, healthcare, and general consumption**. CBD and related product market estimated to grow at a CAGR of **16.8% to \$5.1B from 2021-2030**³ globally
 - Latin American countries are capitalizing on industry growth, Colombia legalized commercial cannabis exports in 2022 with the Latin American cannabis industry predicted to grow **\$824M by 2024**

“The Cannabis industry is currently the smallest it will ever be” - Terry Booth

Global Medical & Adult-Use Sales⁴



- Markets and markets
- Bloomberg
- Grandview research
- New frontier data

Macro Cannabis Drivers

The Adult-Use and Medical Cannabis Industry in the United States Has Several Drivers on the Horizon for Substantial Growth

Comments

Federal Legalization

- Washington D.C. experts have predicted much faster progress regarding federal legalization now that **Democrats are in control of both the Senate and the House of Representatives**
- **Amazon publicly and officially supports federal marijuana legalization**, and has stated that it would join social-justice organizations in lobbying Congress to help pass the most **progressive legalization proposal**

State Legalization

- Momentum has picked up for cannabis legalization, with **more than 10 new markets** having been approved since November 2020
- Rhode Island is the **most recent state to legalize adult-use cannabis** signing the law into effect on May 25th of this year. More than three quarters (77%)¹ of the U.S. population now resides in a state that legalized cannabis

The MORE Act

- The MORE act would decriminalize and **de-schedule cannabis**, removing it from the **Controlled Substances Act**. It passed the House on April 1st, 2022
- Has been the preferred avenue for legalization of House Democratic Leadership in the current Congress (**sponsored by Kamala Harris**)

The SAFE Banking Act

- The SAFE Banking Act provides **financial services to cannabis-related legitimate businesses** across the U.S. without fear of reprisal or prosecution. It passed the House on July 14th, 2022
- The proposal is seen by experts as the **most likely cannabis proposal to pass in the current congress** as SAFE Banking language has been included in the COVID relief package passed earlier this year by Democrats

Direct Industry Support

DIVIDER SUBTITLE

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Legalized Adult-Use Cannabis

BUSINESS OPPORTUNITIES TO SUPPORT THE INDUSTRY



TESTING

- Safety testing cannabis, extracts and finished goods for consumer safety per state regulations



SECURITY

- Legal cannabis must have video surveillance and an alarm system
- Many also employ armed security guards
- Safes are also essential



SEED TO SALE

- NY State requires cannabis to be tracked from seed to sale. This creates software sales and operation



SOFTWARE

- Point of sales software systems need to be developed and maintained



BANKING

- Need alternative solutions
- Credit cards not easily used as state vs. federal regulations so need cash and debit solutions

**But We Also Really
Need**

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Legalized Adult-Use Cannabis

ANCILLARY SERVICES TO SUPPORT THE INDUSTRY



RECRUITING, TRAINING

- Lots of employees needed for all functions and training critical to success and many times, state requirements



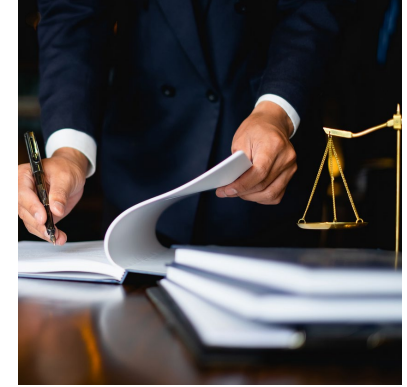
REAL ESTATE

- Critical need for dispensaries and cultivation/manufacturing
- Location matters both for traffic and local regs



ACCOUNTING

- Accounting compliance critical
- Need to understand specialized accounting rules around federal issues, especially 280e



LEGAL

- Important for all corporate decisions and especially regarding state regulations
- Key to always stay on top of most current regulations

Legalized Adult-Use Cannabis

ANCILLARY SERVICES TO SUPPORT THE INDUSTRY



MARKETING

- Marketing and promotion as allowed by regulation, support branding and loyalty of both products and retailers



PACKAGING

- Packaging for brand design, product protection and regulatory compliance



SWAG

- Opportunities to promote brand within regulatory compliance

TOGETHER WE ARE

AUDACIOUSTM

AUDACIOUS™

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Thank you

The Black Institute Cannabis Industry: It's Not Just a Nickle Bag

Leah Bailey, Audacious

Kristin Jordan, Esq., Park Jordan – *Moderator*

Scheril Murray Powell, Esq., The JUSTUS Foundation

Cecilia Oyediran, Esq., Foley Hoag



The Black Institute: Mission Statement

- **The Black Institute shapes intellectual discourse and impacts public policy uniquely from a Black and people of color perspective in the United States and throughout the Diaspora. The Black Institute translates the “think” in think-tank into “action” through a rigorous three-level strategy comprising of academic and community research, inclusive and genuine civic development, and grassroots campaigns and political engagements. The Black Institute changes the discourse of public debate, trains and educate new leadership, develops initiatives to build wealth and power, and delivers justice to Black people and all people of color.**



The Black Institute: Impact

- **The Black Institute was founded in 2010 to advocate for the new coming global majority based on changing demographics around the world. It was built off the belief that issues for black people are issues for everyone.**
- **Since then, The Black Institute has served as a hub for the community by providing groundbreaking research, leadership opportunities, legal and policy support, as well as implementing frontline organizing campaigns.**



AGENDA

- I. Cannabis Industry Presentation: Leah Bailey, Audacious
- II. Ancillary Industry Panel Discussion
 - Kristin Jordan, Esq., Park Jordan – *Moderator*
 - Scheril Murray Powell, Esq., The JUSTUS Foundation
 - Cecilia Oyediran, Esq., Foley Hoag



Scheril Murray Powell, Esq.

Scheril is a cannabis, agricultural, dietary supplement and trade attorney, and the COO for [The JUSTUS Foundation](#), a NY-based nonprofit that supports legacy operators as they transition into the legal cannabis industry. She is also a business development manager for creative services, where she performs background screening services for cannabis regulators and license holders to create a robust, high performing, and inclusive cannabis industry.



ANCILLARY BUSINESS PANEL

- Kristin Jordan, Esq., Park Jordan
- Scheril Murray Powell, Esq., The JUSTUS Foundation
- Cecilia Oyediran, Esq., Foley Hoag



Cecilia Oyediran, Esq.

Cecilia currently serves as an attorney in Foley Hoag LLP's national cannabis practice group. As a cannabis attorney, Cecilia helps clients navigate the legal cannabis and hemp industry. Cecilia also serves as Chair-elect of the Cannabis Section of the New York State Bar Association, Co-Director of the Student and Academic Affairs Committee of the International Cannabis Bar Association and currently sits on the board of NJ NORML.

Cecilia became inspired to refocus her law practice exclusively on the cannabis industry after her breast cancer diagnosis in 2016, having learned firsthand the healing benefits of cannabis. A passionate advocate for cannabis education, Cecilia is a frequent speaker and panelist on a range of topics such as cannabis legislation, state cannabis licensing, social equity, and business law, and volunteers her time to mentor students and young professionals interested in entering the cannabis industry. Cecilia holds a Bachelor of Arts degree from Yale University, a Master's in Education from Harvard University, and a law degree from Stanford Law School.



Kristin L. Jordan, Esq.

Kristin Jordan is the founder and CEO of Park Jordan, a commercial real estate brokerage and advisory services firm serving the cannabis industry. Until recently, Kristin served as the director of real estate at Acreage Holdings. Kristin's passion for advancing cannabis reform has extended to a variety of professional and nonprofit endeavors. She is the founder and CEO of Mannada, a NYC-based cannabis professional event production company, a co-founder of the Cannabis Cultural Association, and the founder of the Asian Cannabis Roundtable. Additionally, Kristin is a member of the New York State Bar Association Committee on Cannabis and the Minority Cannabis Business Association Policy Committee.



ANCILLARY BUSINESS PANEL

- Professional Business Services: attorneys, consultants, real estate professionals, marketing + branding, advertising, media/PR, banking, accounting, payroll, compliance, real estate, tax, IP, insurance, staffing, licensing, lobbying/government relations
- Packaging/Labeling: design/manufacturing
- Transportation + Security: staffing, equipment, technology
- Vape and Consumption Devices: bowls, bong, trays, stash jars, decarboxilizers, etc.
- Grow Equipment + Supplies: lighting, racks, hydroponics, extraction, distillation, nutrients, etc.
- Software/Technology: POS systems, tracking systems AI, software/application developers, data and analytics, cloud-based services, web-design
- Building Services: architects, engineers, contractors, design firms, greenhouses



ANCILLARY BUSINESS PANEL

"What Angel Investors are Looking For in the Cannabis Industry" (7/26/2022)

Agriculture Technology Providers of controlled environment agriculture (CEA) and other cultivation technologies	Infused Products & Extracts Companies that extract and refine cannabis into oil as well as develop and sell cannabis infused foods, drinks, cosmetics, and other products
Research/Pharma Companies pursuing clinical development of cannabinoid based drug candidates through the FDA, the EMA, or a similar regulatory body	Investments/PE Private equity firms, investment funds, holding companies, and other capital providers targeting the cannabis industry
Consulting Services Providers of various consulting services, including management, operations, strategy, compliance, financing, etc.	Manufacturing Ancillary Service or product companies such as testing labs, specialized packaging, branding, and labeling companies, and cannabis focused recruitment firms that fall outside the other ancillary sectors
Consumption Devices Manufacturers and downstream sellers of various consumption devices, such as e-cigarettes, rigs, glassware, etc.	Physical Security Companies that provide security products and services that aim to protect cannabis operations
Cultivation & Retail Companies that grow, distribute, or sell cannabis or cannabis-derived products	Real Estate Companies that own, lease, develop, or finance commercial properties for cannabis operators
Temp Collections of temp. sellers of industrial temp. products, and providers of temp-derived CBD products	Software/Tools Companies that develop and provide technology, software, and media solutions such as seed-to-sale tracking, delivery, enterprise software, etc.

Written: Capital Advisors

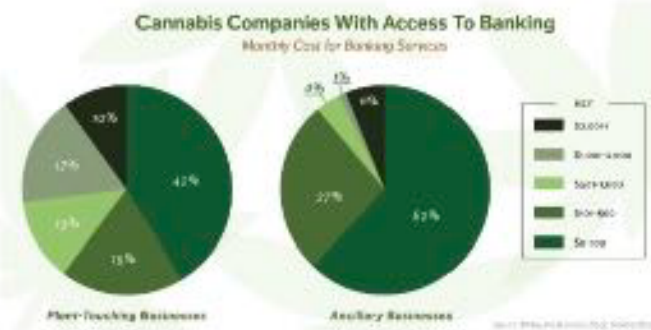
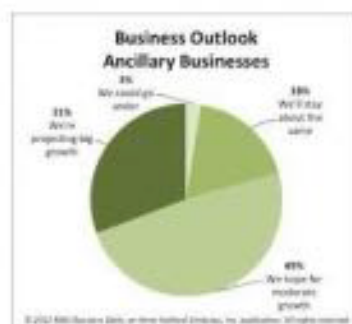


ANCILLARY BUSINESS PANEL

- Cleaning services: (a) industrial, office, retail; and (b) consumption device.
- Events, Tourism + Hospitality: event production, accommodations (hotels, airBnB), tours, spas, weddings, florists, food+beverage, catering, festivals, parades, wellness/nutrition
- Education: medical, patient care, professional accredited programs, community, industry, advocacy, museums
- Organizations: non-profits, policy/advocacy, patient-care, industry/trade orgs, social networks, affinity groups, social justice/criminal justice reform



ANCILLARY BUSINESS PANEL



Resource Links

NYS Office of Cannabis Management - cannabis.ny.gov

NYC Cannabis Resource Page - nyc.gov/cannabis

NYC Black Entrepreneurs (Small Business Services Initiative) - nyc.gov/benyc

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