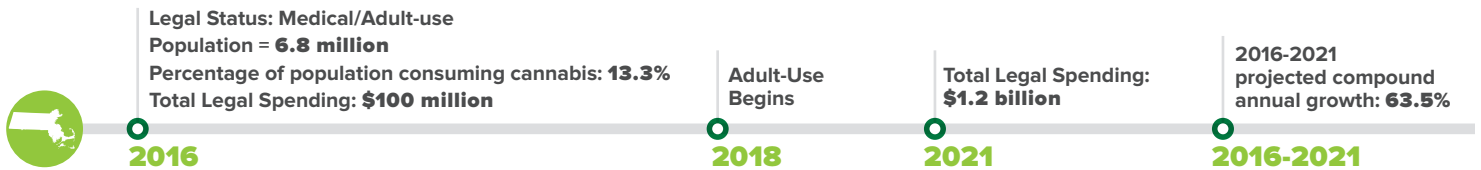




MASSACHUSETTS



A SNAPSHOT OF LEGAL CANNABIS IN THE BAY STATE



OVERVIEW:

- Massachusetts voters passed an initiative to legalize cannabis for adult-use with a **53.6** to **46.4%** margin in 2016.
- In March 2018, the Massachusetts Cannabis Control Commission unanimously **approved** of final regulations for cannabis companies. Sales are expected to begin in July 2018.

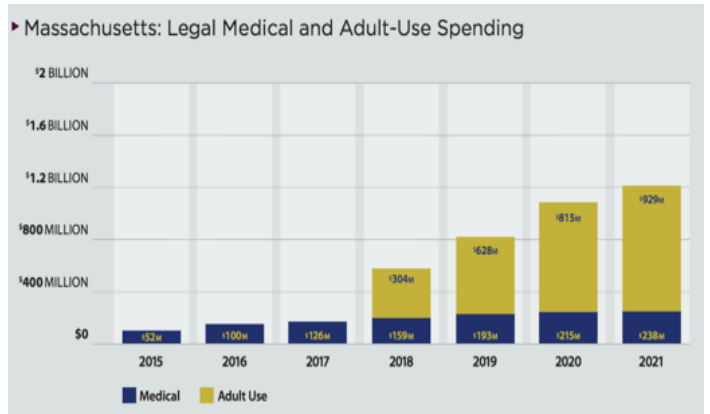
MARKET SIZE:

- Spending on medical cannabis nearly doubled from **\$52 million** in 2015 to **\$100 million** in 2016.
- It is estimated that combined medical and adult-use spending will total **\$1.2 billion** by 2021.
 - Adult-use sales alone are expected to reach **\$628 million** in 2019.
- Over the the next five years, it's expected that Massachusetts will see a **63.5%** compound annual growth rate.

REGULATORY ENVIRONMENT:

- In March 2018, the five-member Massachusetts Cannabis Control Commission approved **regulations** for the adult-use cannabis businesses. They included:
 - The **warning labels** that will come on packaging of cannabis products sold in the retail stores.
 - Approval of a "Secret Shopper" program to make sure cannabis stores are in **compliance** with various state regulations.

- The mandatory **disqualification** from working in a job with access to cannabis plants for people who have been convicted of trafficking in drugs other than cannabis.
- **Delayed** roll-out of licenses for home delivery of marijuana, cannabis cafes, and movie theaters serving cannabis.
- Cannabis dispensaries will have to set aside at least 35% of their inventory for medical marijuana patients.
- **Municipalities** must approve their own regulations and permits for cannabis businesses.



Data courtesy of The Arcview Group and BDS Analytics.

FOR MORE INFORMATION

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