CBD: Cannabinoids Escape the Dispensary

A Cannabis Intelligence Briefing Series Report

ARCVIEW Market Research

BDS Analytics

A Sampling of Key Insights*

Consumers first learned of THC's non-psychoactive cousin – CBD – from dispensaries in states with legal cannabis programs. In recent years, however, general retailers have taken notice of the compound's popularity and have looked to capitalize on its ambiguous legal standing. The *CBD: Cannabinoids Escape the Dispensary* report forecasts that the vast majority of CBD sales will take place in general retail distribution channels by 2024.

U.S. CBD sales in general retail are forecast to approach $13B by 2024, more than double dispensary CBD sales of $5.3B.

General retail stores (Food, Drug, Mass, etc.) will account for 63% of CBD spending in 2024, as the legal issues around selling CBD as a food additive are resolved at the federal-level.

For the first half of 2019, 10.9% of total sales in legal cannabis dispensaries tracked in GreenEdge™ were associated with high-CBD products.

10.9%

There are currently in excess of 15,000 licensed hemp cultivators across the U.S., with at least 1,000 more pending or expected to be issued licenses by the end of 2019.

56% of U.S. adults (21+) do not understand the difference between THC and CBD; 59% are confused about the effects of hemp-derived products (BDS Analytics Consumer Insights).

? THC vs. CBD

In the absence of clear guidance, some U.S. states have moved ahead individually on CBD, circumventing federal regulation and allowing CBD as a food additive in their own statutes.

"The 2018 Farm Bill's legalization of hemp cultivation, and the subsequent moves by several states to push ahead without the FDA's approval of CBD as a food additive or supplement, made it clear just how fast the market is likely to grow."

Tom Adams
Editor in Chief, Arcview Market Research
Managing Director of Industry Intelligence, BDS Analytics

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*These insights are featured in the *CBD: Cannabinoids Escape the Dispensary* report