



Welcome to the Surna Newsletter. Each month, we will discuss a trending topic within the cannabis industry.



## NCIA Business Summit & CWCBE: What we learned

This summer has been a busy one for Surna. We've been traveling to a lot of industry events around the country. Last month, we were in [DC and Toronto](#) and last week, we went to Oakland and New York for cannabis industry related events. Both of these events were a success for us. Not only did we get to meet more people in the industry, but we also attended some great discussions on a range of topics.

Our first stop was in Oakland for the [National Cannabis Industry Association \(NCIA\) Cannabis Business Summit & Expo](#). Like all of NCIA's shows, this one was for the US industry as a whole. However, there was certainly a focus on the new California market since the show was in Oakland. California, perhaps more than any other state in the country, has a long history of cannabis cultivation and the demographic of attendees reflected that. Unlike some of the other events we've attended, many of the people we met were intimately familiar with cannabis cultivation and had been growing and involved in the industry for decades. There was much excitement about the opportunity to now move into a regulated and legal market for adult use.



Talking with attendees in Surna's booth at NCIA Cannabis Business Summit & Expo

Two of the largest topics at this show were energy efficiency and biosecurity which was not surprising. California already struggles with energy consumption and is one of the most proactive states in the country in reducing usage and moving toward clean power. Many of the attendees we spoke with were interested in Surna because of the [energy efficiencies](#) we

offer. In particular, there was a lot of interest in [our hybrid building](#) which is a great option for Californians as it uses the sun as the primary source of light, reducing energy costs by 50-75%, while still offering a totally sealed environment which facilitates biosecurity. This is particularly important because a regulated market means stricter testing criteria, especially in California. [Keeping your garden disease and pest free without introducing harmful chemicals](#) that can cause your product to test positive and be ineligible for sale is difficult in a non-sealed environment. For this reason, we also spent a good amount of time discussing our [biosecurity offerings](#) with attendees as well.

From talking with attendees, we had a good understanding of the trends in the market. However, NCIA's shows always [offer excellent presentations](#) on many topics. We were fortunate enough to be able to attend some of these sessions. Some of the highlights were:

- Mexico's former President and Cannabis proponent, Vicente Fox, opened the show with a keynote speech. As many know, [Mexico recently legalized Medical Marijuana](#) and [has proposed decriminalization](#). President Fox explained that the war on drugs has destroyed communities around the world but nowhere has its impact been more obvious than in Mexico. By legalizing and regulating, Mexico hopes to take power away from drug cartels. President Fox also encouraged industry proponents to be thinking about the right way to implement this new industry, highlighting the need for fair trading among North American countries.
- Lori Ajax, Chief of the California Bureau of Medical Cannabis Regulation, Khurshid Khoja of Greenbridge Corporate Counsel and Avis Bulbulyan of Siva were panelists on a discussion concerning licensing under California's Medical Cannabis Regulation and Safety Act (MCRSA) and the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA). This discussion was so popular that event organizers had to remove people from the session as it was overcrowded. The panelists touched on the differences between the two pieces of legislation and the plans for moving forward in California. However, two days after that session, [California's legislature passed Senate Bill 94 \(2017-2018 Budget Trailer Bill\)](#), which reconciles the differences between the two bills. Despite MCRSA providing the basic framework for AUMA, there were still significant discrepancies that could have caused complications down the road. When it takes effect, the Trailer Bill will create the Medicinal and Adult Use Cannabis Regulation and Safety

Act (MAUCRSA). This Act establishes the governing bureau as the Bureau of Cannabis Control, allows for vertical integration except for testing and eliminates some of the license types in MCRSA, among other things.

- At a session on land use and zoning requirements, panelists Pamela Epstein from Greenwise Consulting, Corinne S. Celko from Emerge Law Group, Sean Donahoe from Operative Campaigns, Attorney Charles Smith and Jim Brown from URBANADD talked about how the permitting process works and best practices to getting licensed in your locality. Each state is different in regards to their licensing process but California is particularly interesting because of the amount of autonomy counties and cities have. Most counties and cities in California require permits for cannabis business activities on top of the state license which means significantly more paperwork for applicants. Best practices from the panelists included educating yourself on the various requirements for land use permits in your area, getting to know your permitting office and offering education and solutions to representatives who may be unfamiliar with cannabis.
- Nick Hice from Denver Relief Consulting and Chris Welch from Silver Sage Wellness conducted a session on keeping the cultivation area clean. As mentioned before, biosecurity is a major concern of cultivators. Their primary recommendations were to keep plants healthy in the first place by ensuring they're getting proper hydration, lighting and nutrients, conducting the necessary maintenance on your equipment to keep bacteria and pests from growing or spreading and choosing the correct environmental control in the first place. They explained that equipment that is designed by experts, specifically for cultivation, is the best option, especially for those new to the space who aren't as familiar with the unique needs of indoor gardens. By choosing the correct mechanical system that can keep up with the high heat and humidity levels in an indoor garden, cultivators take the first step in ensuring a healthy crop.

From NCIA, our head of marketing hopped on a flight to New York to visit the 4th annual [Cannabis World Congress and Business Expo \(CWCBE\)](#) at Jacob Javitz Convention Center. With so many east coast states making medical and adult use marijuana legal, she went to assess the show and learn about their specific markets.

Like NCIA, CWCBE had great speakers. One of the seminars she attended discussed Standard Operating Procedures (SOPs) and the importance of clean cultivation facilities,

which Surnaaddresses with our [biosecurity services](#). On Thursday, Jesse Ventura, past WWF wrestler and the 38th Governor of Minnesota, gave the keynote speech. In his speech, Ventura stated that cannabis legalization became one of his major passions when someone close to him found relief from seizures in cannabis after all other medications failed. His latest book, *The Marijuana Manifesto* details the failed war on drugs and why the cannabis plant is such a great alternative to common practice medicine.



Jamie English, Marketing Manager, with Jesse Ventura at CWCBE in New York

The last month has been a whirlwind for us as we travel from place to place, meeting with cultivators, owners and others involved in the industry. Our next stop is the [CWCBE in Los Angeles, September 13-15](#), where we will be exhibiting and our co-founder and Director, Brandy Keen, will be a featured speaker. Come see us at booth 210! As always, it is inspiring to see so many people united toward the goal of growing this exciting new

industry. We love meeting fellow dreamers, so if you're considering a cultivation facility of your own, [reach out to us](#).