

Business of
Hemp 2017

State of the Hemp Industry

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Need Hemp?

Hemp and its many uses: Agricultural

Rotational

Soil
Improvement

Cover Crop

Weed and
Pollen
Suppression

Phyto-
Remediation



Hemp and its many uses: Whole Stalk

Bast Fiber

Consumer
Textiles

Industrial
Textiles

Advanced
Manufacturing

Whole Stalk

Paper
Products

Energy and
Environmental
Products

Hurd

Building
Materials

Industrial
Products

Paper

Hemp and its many uses: Hemp Flower

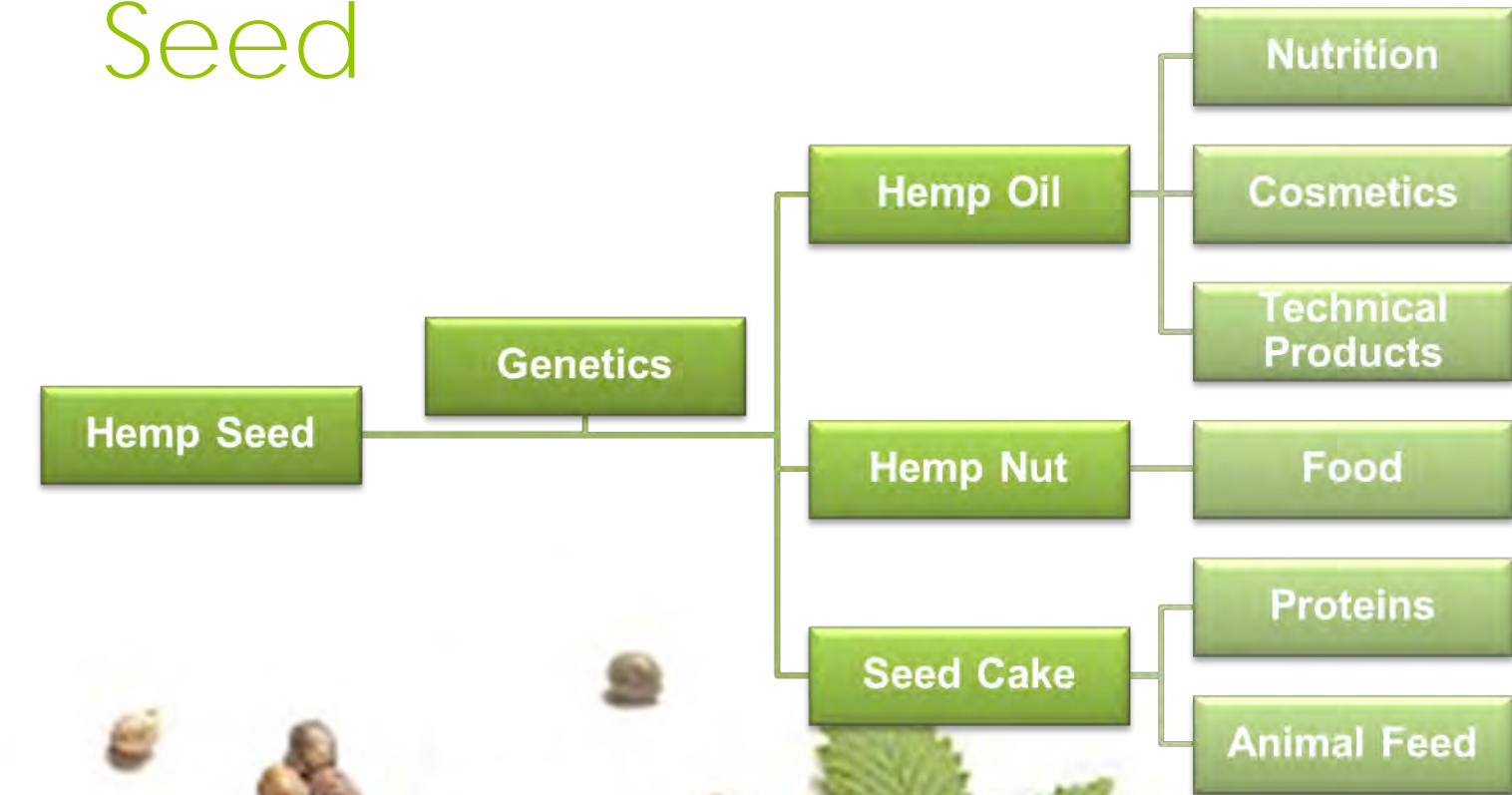


Cosmetics

Nutra-
ceuticals

Pharma-
ceuticals

Hemp and its many uses: Seed



Regulatory History: How did we get here?

- ❖ Popular Science: 1938
 - ❖ Documents over 30,000 uses for hemp
- ❖ Marijuana Tax Act
- ❖ Victory for Hemp Campaign
 - ❖ Led to generational feral hemp growth
- ❖ Controlled Substances Act - 1970
- ❖ HIA v. DEA 2001 - 2004
- ❖ 7606 Farm Bill/Amendment 64 2014

Challenges and Misconceptions

Public Sector Interference

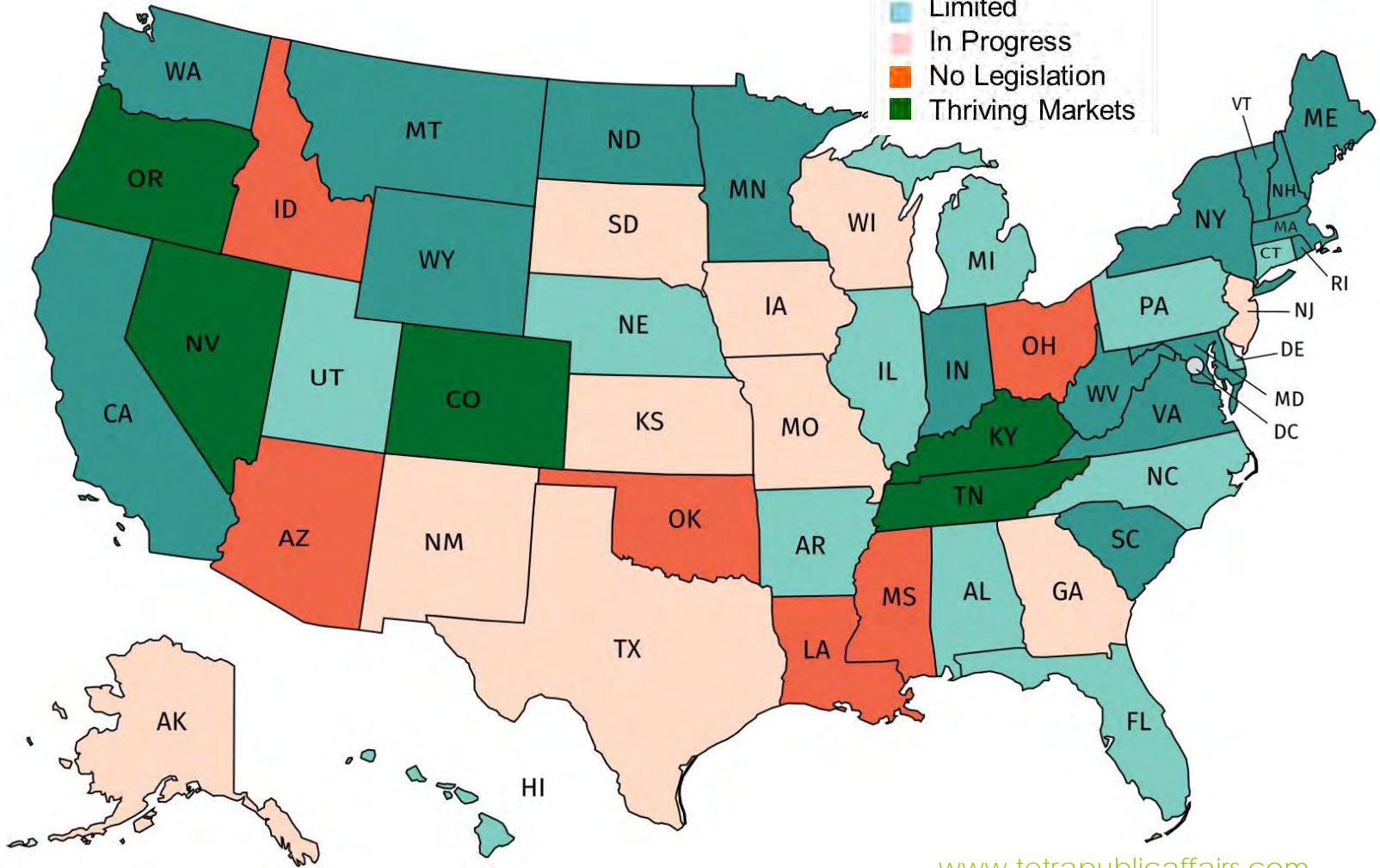
- Tribal lands
- Non farm bill compliant
- Health claims

Private Sector Interference

- Banking
- Advertising
- 280e

Hemp By State

- Legal
- Limited
- In Progress
- No Legislation
- Thriving Markets



General Overview of Today's Market

- Hemp sales grew to \$688M in 2016 in U.S. alone
- Cannabinoid & national hemp sales estimated at \$130 million in 2016
- Estimated sales growth for hemp industry in 2020 – \$1.8 billion
- 34 states have hemp legislation under 7606
- US still consumes 90% of hemp products

General Overview of Today's Market

- Colorado farmers planted 5,800 acres of industrial hemp in 2016, nearly half of the industrial hemp planted in the United States.
- 10 times greater than acreage planted to cantaloupe and about double the acres in orchards that produce peaches.

Hemp as a commodity

Hemp

- Yield per acre
 - 700 lbs. of grain
 - 22 – 300 gallons of oil
 - 530 lbs. seed meal
 - 5,300 lbs. of straw
- Price per acre for hemp
 - \$300-\$2000*

Corn

- Yield per acre
 - 160 -180 bushels grain
 - 20 tons for silage
 - 22 – 30k ears
- Price per acre for corn
 - \$700-\$800

*does not include cbd crop prices

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Future Outlook of Hemp

- CBD is a game changer
- Green Sustainable Economy



(YES!) Need Hemp.

- ✓ Address the needs of industry
- ✓ Address the needs of the public
- ✓ Address the needs of the market