

SPECIAL ADVERTISING SECTION

EDIBLES • KIOSKS • MERCHANT PROCESSING • POINT OF SALE • SMS
MARKETING • VAPE TECH • BANKING • CASH COUNTING • CUSTOM DISPLAYS
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ASK THE EXPERTS

**WE ASKED NINE SPECIALISTS TO PROVIDE INSIGHTS INTO ESSENTIAL CANNABIS
RETAIL TOPICS TO HELP DISPENSARY OPERATORS ENHANCE THEIR BUSINESSES.**

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5 QUESTIONS WITH ERIC KAUFMAN

With cannabis still federally illegal, a lack of banking has become a pain point for many retailers that must deal with cash or find other unique workarounds.

Eric Kaufman, chief revenue officer at Dama Financial, explains some ways cannabis-related businesses can navigate tough banking laws and achieve financial success through banking.

1 Why is it so difficult to access transparent banking in the cannabis industry?

Because cannabis is a high-risk industry, there are enhanced compliance requirements that, frankly, banks don't know how to handle. Dama Financial and its partnering FDIC-insured banks offer compliant banking and payment solutions to cannabis-related businesses (CRBs). Dama Financial manages the compliance program, due diligence, customer support

and operations on behalf of its partnering financial institutions.

2 If passed, how will the SAFE Banking Act affect the industry?

As written, the act has a lot of vulnerabilities that persons with less-than-ideal motivations could seek to exploit. That said, we need clear rules and regulations that recognize the high-risk nature of the cannabis industry. In this environment, banks would need to drastically bulk up their compliance teams, and many may not be equipped

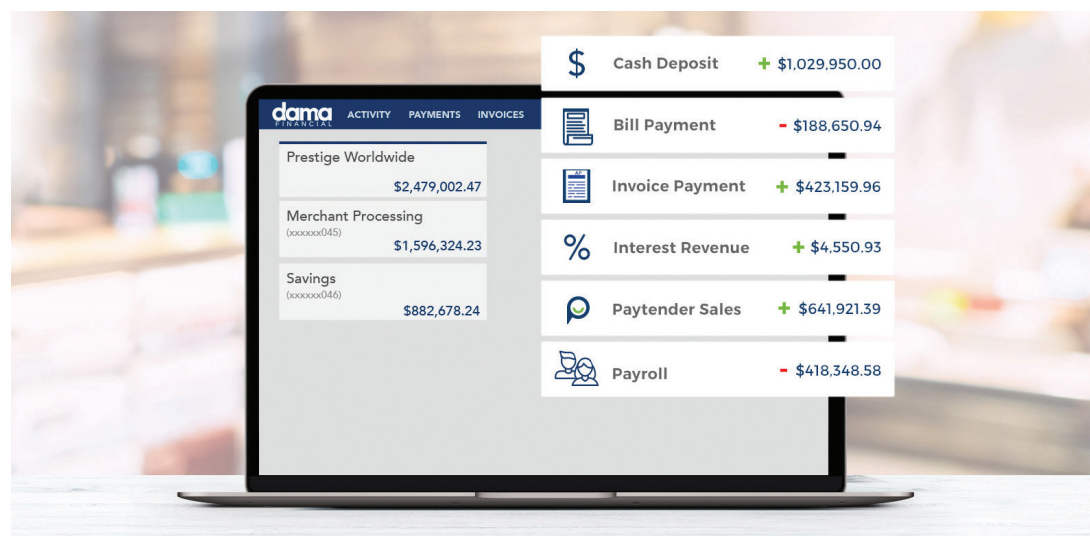
or willing to make that effort, which is where Dama comes in.

3 What are some workarounds to cannabis banking? CRBs hear of quick fixes and workaround solutions that work until they get shut down for being noncompliant. And when the accounts are shut down, it's incredibly disruptive to the business. For example, think about how infrequently you change your personal bank account because it's such a hassle. Now imagine having

to do this for your business. Other companies will hold your money or steal it, create shell accounts, or not provide you with bank routing numbers. Businesses need a sustainable, transparent and compliant solution to allow their business to run efficiently, which is what Dama Financial is providing.

4 Is it truly illegal for banks to serve CRBs since marijuana is federally illegal? The U.S. Treasury acknowledged a relationship between financial institutions and legal CRBs through its release of the FinCen guidance. The guidance states that serving CRBs is a risk-based decision and that thorough customer due diligence is a critical aspect of assessing whether a CRB implements the Cole Memo priorities or violates state law. Dama exceeds the regulatory compliance requirements and can therefore offer CRBs access to transparent banking solutions.

5 What are the dangers of operating in cash? Cash is not only inconvenient but can pose major security risks. Cash allows human error when counting, as well as the constant threat of theft. It's also expensive. Moving from a cash-based economy to a banked and digital economy is the future of the industry and will allow businesses to thrive.





5 QUESTIONS WITH BOB GIBSON

Cannabis businesses handle a lot of cash. It's a fact of the times that this industry is so cash-heavy, and until that changes, cannabis companies need cash-handling solutions that are fast, accurate and reliable. **Bob Gibson, vice president of branch operations at Cummins Allison**, discusses why a quality, commercial-grade currency counter, like the JetScan iFX series, is so important.

1 How can commercial-grade currency counters help cannabis businesses?

Cannabis businesses handle significantly more cash than other businesses the same size, and this can be an immense pain point. Many cannabis locations started small and counted cash by hand. Now, this is impractical. Commercial-grade money counters help cannabis businesses process large volumes of cash faster and more easily than cheaper machines. Scan for counterfeits at the point of sale and save significant time in the cash office every single day. Cash is the center of your business, so don't go cheap on such a critical tool.

2 Who uses commercial money counters?

Banks and credit unions are the biggest users of desktop commercial money counters. They go through a lot of cash every day and must balance to the single dollar, so they demand accuracy and reliability. If banks are confident in quality currency counters, you can be too.

3 Why get a commercial-grade money counter rather than something from a retail source?

Businesses go with commercial-grade products for a reason:

they're better. The high demand of business is greater than the capabilities of disposable, retail products. Money counters are no exception. Businesses, especially high-volume cash businesses, need equipment that is built for the task. Faster speeds, greater reliability, better accuracy.

4 Can quality money counters help with tax audits?

Nothing can replace due diligence and honest recordkeeping, and reliable and accurate money counters can help get you there. Counting significant amounts of cash with a quality money counter generates machine-produced records, something auditors want to see. Cannabis businesses also want tools that help them be seen as legitimate, buttoned-up businesses, and currency counters are an important start.

5 Can good currency counters help increase security and reduce shrinkage?

Yes. Any time you can reduce the time spent handling cash, it helps increase security. And having owners and managers count the cash reduces shrinkage. This is all accomplished only when you have a commercial-grade money counter that's fast and accurate and allows owners and managers spend as little time possible dealing with cash.



Take the next step in getting the right tool for your cash-heavy cannabis business. Visit Cumminsallison.com/AskTheExpert to see how JetScan iFX series money counters can help you process large volumes of cash quickly and accurately and produce solid records.

ASK THE EXPERTS: CUSTOM DISPLAYS



5 QUESTIONS WITH WIL WALKER WITH DISPLAYDISPENSARY.COM

How can you get eyeballs on valuable product while providing information to the consumer? **Wil Walker, vice president of client experience at DisplayDispensary.com**, explains why custom displays might be the right fit for your dispensary.

1 Why should dispensaries consider custom display solutions?

Custom displays allow you to tell your brand's story. The cornerstone of this process is your brand DNA, which serves as the handwriting for each design element. Whether it be accomplished through a specific construction, material or finish, identifying these intrinsic elements—in tandem with a proven display concept—will elevate the overall experience in your dispensary. Given the current retail landscape in the cannabis industry, there is substantial

opportunity for differentiation through customization.

2 What are the benefits of custom display solutions? The presence of custom displays incorporates a “tailored” effect in the overall layout of a dispensary. You can customize a display by highlighting features of a particular product, and this in turn becomes your “silent seller” to engage the consumer. Custom displays allow you take your clients on a seamless, brand-targeted journey through your dispensary's product

line, increasing interaction and ultimately enhancing the bottom line for operators.

3 How can custom displays help dispensaries differentiate themselves from competitors? Custom displays spark precise shopper engagement, directly addressing the needs and wants of the industry's consumer base without overt marketing. Cannabis consumers are spirited and place huge value on the experience—a winning display captures this emotion. We assist in cultivating cannabis

retail visions by providing visual versatility and branding efficiency to match this fervor.

4 What are the keys to a successful display? While displays must uphold a certain aesthetic standard, they must also do the product they're housing justice; presenting a clear message of what the product is, and what its attributes are. In a similar vein, consistency in design intent is critical to ensure that conception flows down to all display components. With the various product mixes and categories within a dispensary, uniformity is invaluable to comfortably expedite the customer experience.

5 Who reaps the rewards from a successful display? All players in the metaphorical retail game benefit when a custom display is executed properly. In addition to building their brand, the retail owners see higher margins due to operational efficiencies gained. The retail employees have a unified mission and store theme to follow through on, and the customer has a more seamless journey from entry to the ultimate point of purchase. Whether evaluating from the standpoint of time, money or quality service, every individual throughout the chain is better placed for success.



For more information, visit **DisplayDispensary.com**, your one-stop-shop for dispensary fixtures and custom solutions.



5 QUESTIONS WITH DUANE ROEBUCK

Accurate track and traceability software coupled with reliable hardware are the lifeline of any reputable cannabis business. Here, **Duane Roebuck, BlueStar retail and IoT channel manager**, takes a closer look at why it's important to select a distributor partner that can pair you with some of the best seed-to-sale software and hardware providers.

1 Why is the ability to track/trace essential today?

If your business is in a Metrc® (Marijuana Enforcement Tracking Reporting Compliance) state, you know the penalties associated with not having accurate inventory and traceability solutions. That's why it's critical to ensure you have enterprise-grade solutions to ensure you're meeting stringent regulatory standards.

2 Why should a company in the cannabis industry consider working with a distributor such as BlueStar?

First, if you're a grower, processor or dispensary owner, we cannot sell anything directly to you, so we can be a trusted adviser for you. We operate in a channel strategy, meaning we sell using a reseller channel. Although we cannot sell directly to you, we can be a valuable partner in regards to informing and introducing you to some of our software partners as well as hardware manufacturers that not only embrace, but have strategies that include the cannabis industry and invest in the industry.



For more information, contact Duane Roebuck at droebuck@bluestarinc.com or (859) 371-4423 ext. 3298

3 I've heard people mention the need for enterprise-grade devices. Why is this important in the cannabis industry?

That is a great question, and one that I often see companies within this space not take seriously enough. As an owner in this space, your primary concern is growing your core cannabis business. Laws require that you track and trace everything. Why would you trust something so vital to a device most teenagers have? Enterprise-grade devices

are purpose-built, meaning they offer functionality and ruggedization that consumer-grade devices simply do not have in most cases.

4 What are some of the key differences between enterprise- and consumer-grade devices?

I've seen growers and processors using consumer-grade printers only to find they don't hold up to this environment. Some of the print heads get gunked up and stop performing due to the pollen and dust often present in this

industry. As a result, growers go through a number of consumer printers before realizing there are enterprise-grade solutions—offered by suppliers such as Zebra Technologies—that are not only built to withstand this environment but have print-head warranties that provide lifetime protection.

Digital media is another area where I see people cutting corners. Commercial displays are not only designed for 20-plus hours of continuous use, but there are often management solutions that allow you to effortlessly manage not only multiple screens but multiple locations, ensuring there are consistent themes, specials and educational content.

These are just two areas. There are also scanners and other point of sale hardware that are durable enough to continue working for you as your business grows.

5 Who are some of the trusted manufacturers you have partnered with as a distributor?

Many of our manufacturing partners not only have solutions that are suited for this industry, they are expanding their business plans and marketing to embrace this industry. Companies such as Zebra Technologies®, Elo®, Star Micronics, Hikvision®, Watchguard® and LG Business Solutions®—all have products that are suited for your needs.



5 QUESTIONS WITH NANCY WHITEMAN

Wana Brands CEO Nancy Whiteman understands what it takes to build a successful business. Whiteman shares some of her leadership insights to help dispensaries achieve success in this increasingly competitive market.

1 What are some key factors dispensaries should consider when selecting edibles? Aside from price point, you certainly have to consider the brand's range of products and how they might or might not appeal to your customers. This includes choosing from a variety of flavors to how innovative the items are for what they do. Probably most important, though, is that you need complete trust in what you put on your shelves and provide for your customers. Edibles should be a treat as much as a health supplement. That's why Wana Brands has put so much effort into ensuring the flavors of our edibles come through instead of the taste of the cannabis.

2 How can dispensaries determine if the edibles are high quality? One of the first things you can do is simply look at your product. What's the coloring like? Is it something that's going to appeal to your customers? What's the texture like? Gummies made with fruit pectin instead of gelatin, for example, don't have the rubbery texture found in lower-quality edibles. But it's the ingredients that make the most

difference. Some cheaply made edibles might use mineral oil, which can cause gastrointestinal distress. Also, products that are infused instead of sprayed deliver more precise dosing and a more robust fruity flavor. If your edible tastes like hash oil, chances are good that it's not the high-quality product you want in your dispensary.

3 How can businesses ensure that product is available when they need it? Quality of service is critical. For example, at Wana, we have our operations and production dialed in to ensure that we

always have sufficient inventory on hand to meet our customers' needs. Our account reps also work closely with customers to ensure that they are ordering the right par levels (minimum amount of inventory they can have on hand to meet demands) based on past history.

4 How can retailers know that patients/customers are receiving safe products? Look for companies that produce according to the highest food safety standards, including cGMP and HACCP. Every Wana product, for example, has met or exceeded testing requirements

for potency and microbiological contaminants even before it was required by regulation.

5 What innovations should dispensaries expect to see from edibles companies? We'll certainly see more refinements to factors affecting bioavailability, as well quicker, more consistent onset times. For example, in March 2020 Wana launched fast-acting gummies that provide a new edible experience, with an onset time of five to 15 minutes and Delta-9-THC effects (similar to inhalation effects) lasting from two to four hours.





5 QUESTIONS WITH DAVID ANZIA

Kiosks are the gateway to connect with consumers and patients.

David Anzia, senior vice president of sales for Frank Mayer and Associates, Inc. offers insight into how dispensaries can select the kiosk that's right for their operation.



kiosk and a pedestal unit for non-transactional needs.

4 Does the kiosk tie into the point of sale? Most kiosk software providers are capable of interfacing with point of sale systems due to open APIs that work with the majority of systems. In fact, some software providers are specifically tailored to the cannabis industry and are designed with the needs of dispensaries in mind. It's important to discuss software details early in the conversation when investing in self-service kiosks.

5 Is it easy to update the products offered? Adding, removing or changing products is an easy task for an employee or manager to do through the self-service kiosk software. It is also simple to keep product inventory, pricing and promotions current. Because the kiosk software can integrate with a dispensary's POS system, kiosks reflect up-to-date information for customers while deciding on their purchases.

1 What are the advantages of a kiosk? Self-service kiosks have numerous advantages, including cutting down on wait times, freeing up budtenders to serve new customers who have additional questions and increasing revenue with cross-selling software that recommends additional products based on what the shopper places in his or her cart. Furthermore, kiosks empower customers to take control of their shopping experience by offering product information when a budtender is not readily available.

2 What are the different kiosk form factors available? In general, larger freestanding kiosks are attractive to dispensaries looking to grab the attention of shoppers. The smaller tablet kiosks, both freestanding and on the counter, as well as the wall kiosk, save on space in crowded areas and can provide a level of privacy for customers making purchases for medical needs. Look for self-service kiosks that can be personalized with branded graphics and customized for payment options as well

as assistive technology, barcode readers and receipt printers.

3 Which kiosk option should I choose? Every dispensary is going to have its own unique requirements, including privacy conditions, space availability, and hardware needs. That's why we offer multiple form factors to ensure there's an option for every shop. For example, our kiosk line includes 32-inch and 22-inch screen floor standing kiosks, a countertop tablet, a floor-standing tablet, a wall

ASK THE EXPERTS: MERCHANT PROCESSING



5 QUESTIONS WITH ERIC KAUFMAN

Many people make most or all of their retail purchases with a credit card, raising questions of how dispensary customers can easily pay for product, as major credit card companies won't accept cannabis transactions. **Dama Financial's Chief Revenue Officer Eric Kaufman** talks about payment options—including the Paytender cashless payment solution—for cannabis retailers, why transparency is important and the risks involved with cash transactions.

1 Can dispensaries accept credit cards and still remain compliant? No. All the major credit companies have announced their stance on cannabis transactions and will not accept them over their networks. Paytender accepts payment via debit card or directly from the customer's bank account, as these payments do not go over credit payment rails.

2 What credit options can dispensaries offer to customers? Paytender is developing a credit program that will allow customers to qualify for a line of credit that they can then use at all dispensaries that accept Paytender—in-store, online or at delivery. Paytender will be able to offer this to customers as an alternative to paying with cash.

3 Are most merchant processors in the market transparent, meaning customers and businesses see the cannabis transaction? Many processors in the market try to hide the cannabis transaction so that the bank doesn't see it, or they will process them through shell companies. This non-transparency creates constant unease to the business

holder, with a fear of being shut down at any moment. Paytender is fully transparent, where the bank, customer and business all see the transaction.

4 Is cash a sustainable payment alternative? Cash comes with risk, including theft and loss. We've seen dispensary sales dip 30% when they don't accept digital payments. Paytender gives dispensary customers the kind of purchasing experience they have come to expect, which makes the pool of potential customers larger, as many people simply never pay with cash.

5 Is it necessary for processors to hold dispensary earnings? It is absolutely unnecessary for processors to have rolling reserves, meaning they hold a percentage of the merchant's sales for an undetermined amount of time before releasing funds. Paytender provides same-day settlement of the merchant's funds into their compliant merchant bank account. They always have prompt access to their earnings.





5 QUESTIONS WITH DAVE ALBERT

A trustworthy point of sale (POS) system can make or break a cannabis retail operation.

Dave Albert, president of Retail Control Systems, a retail management system provider that offers a cannabis POS platform, discusses what dispensaries should consider when purchasing a POS system and how these systems can help with customer loyalty and marketing.

1 Why should dispensaries consider an enterprise-level POS solution?

In many ways, selling cannabis is just like selling any other product, except for the state regulations you need to adhere to and the state traceability that needs to be integrated with your system. Most POS solutions we see today work OK for cannabis stores when they are just starting out, but what happens when your company grows beyond one or two stores? If you are looking to grow your company, you should definitely consider an enterprise-level POS solution.

2 What are some key factors businesses should consider when seeking a POS solution? Make sure the system is integrated seamlessly with statewide traceability systems. You don't want a third-party integration when it comes to auditing inventory. Determine that your customer's information is secure. Numerous cannabis solutions have recently been involved with data breaches.

Multi-location operators are often blindsided by issues

arising because their software doesn't support location-specific security needs. When local regulations change, you want system admins and power users to be able to make adjustments on the fly.

3 How can a POS solution drive customer loyalty? Your CRM platform should allow you to leverage customers' transaction histories. With mobile marketing in particular, that data is important if not essential to market your products effectively and attract repeat business. You should be able to use data to qualify and automatically target customers.



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Detailed transaction histories allow you to promote product lines and specials to the customer segments they'll most appeal to.

4 How can a POS solution improve the customer experience? Consider customer kiosks and digital display integration as part of your business solution. Kiosks will speed up the ordering process and help educate your customers about the product. Built-in email marketing can help target your customers with specific promotions and turn them from a one-time customer into

For more information on finding the right POS system for your dispensary, visit AntheaRCS.com.

a loyal customer and promoter of your store.

5 What type of support should dispensaries expect before and after installation? Look for vendors, such as Retail Control Systems, who offer software testing, a discovery, a customizable software configuration, training and a collaborative pilot phase to ensure you're comfortable with the product before going live. After that, users should have access to daytime and evening support lines so they can address any questions or configuration needs in a timely manner.



5 QUESTIONS WITH JEFF WINAKER

Text messages are some of the most immediate and effective ways to reach customers. Here, **Jeff Winaker, founder and chief executive officer, NorthText**—which offers SMS text message marketing for businesses in the U.S. and Canada—shares how to make the most of your text-messaging marketing plans.

1 What are the read rates of SMS, and how does it compare to email? Email read rates are about 15%, while SMS read rates are almost 98%. Not only are read rates six times higher with SMS, but 90% of messages are read within three minutes. Seventy-five percent of Americans rarely have their phone more than 3 feet from them, and this makes SMS the first choice for marketing—even ahead of social media platforms such as Twitter,

Instagram and Facebook—when a business is trying to get a call to action to its clients or customers.

2 What are some features one should look for when shopping for an SMS service?

Remember when Twitter increased its maximum message length from 140 characters to 280? Having more space to convey your message is important. When comparing SMS services, make sure to check what the

maximum character length of an allowed message is. Many services will allow you to create a message longer than 160 characters—which is standard SMS length—but will charge you for another message segment after 160 characters. Some innovative services give you longer messages—up to 240 characters, in fact. The user interface should be simple to use, but also allow for two-way communication, attaching images and the ability to forward responses from customers to another phone number or email address. Also, SMS software should make it easy to export text conversations to your POS or CRM system.

3 What else can one do with SMS, other than send plain text?

The fastest-growing marketing tool in cannabis is the use of images within a text message (referred to as multimedia message segment, or MMS). Recipients are 3x more likely to engage with a retailer who uses images in their marketing, instead of just plain text. QR codes, bar codes and links can be sent in a message, along with

a branding image, to enhance response rates further for a specific call to action.

4 What are best practices for managing an SMS program?

First, always, always, always include your business' name, address—and website, where applicable—hours of operation, and phone number. It is essential for consistent branding and clear and effective communication with your customers. Spacing within a message is also very important. The less cluttered the message, the more effective and impactful it will be. **Second**, monitor your text inbox. People will text you, and you need to text them back to get their business.

5 What sort of technical support should one expect from an SMS software provider?

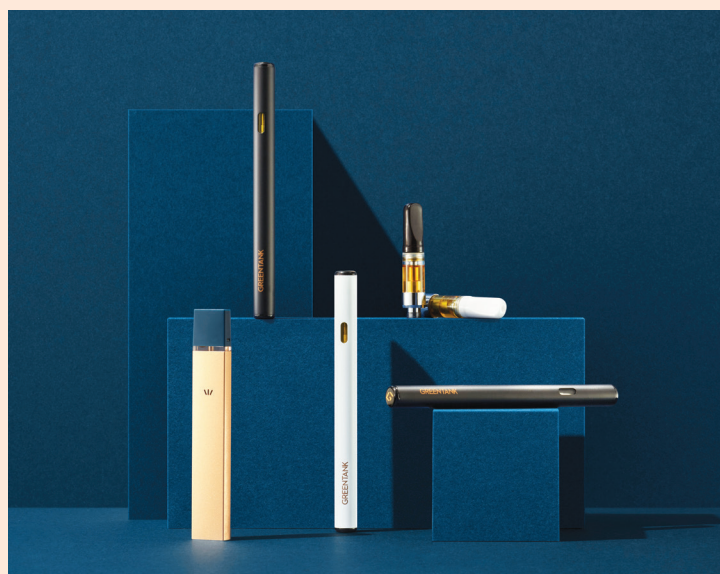
Ask for live support as part of any agreement for SMS services. Some SMS vendors offer it as part of their included service, some won't offer it at all without a minimum volume commitment, and for some, it will require negotiation. While SMS marketing software should not be complicated, at some point you will need assistance. The urgency of texting as a method of communicating also leads us to expect immediate customer support.





5 QUESTIONS WITH DUSTIN KOFFLER

The vape industry has a responsibility to help customers understand the need to purchase vape products from licensed retailers to ensure safety and quality. Here, **Greentank Technologies founder and CEO Dustin Koffler** discusses how retailers can increase consumer confidence and provide them with high-quality vape products.



1 How can the cannabis vape industry bring consumers back to the space following last year's vape scare? In the U.S., there are no national regulatory bodies that oversee compliance within the cannabis vape sector. The onus is on vape manufacturers and oil producers to not only create safe products that have been through testing, but also to release the test and ingredient lists to the public. In Canada, stricter regulations and higher-quality manufacturing have already proven to be beneficial to consumer safety.

2 What are the disadvantages of purchasing cannabis vape hardware from direct overseas manufacturers? More often than not, direct overseas manufacturers are more interested in selling you hardware than being your partner. Greentank has complete control over the entire supply chain as a way to guarantee that every material that goes into your hardware exceeds industry standards. Not all manufacturers prioritize sourcing food-grade stainless-steel, high-caliber glass, and premium ceramic formulations

that won't leach heavy metals into the final product. Only those truly committed to the future of the cannabis marketplace are partners at our table.

3 What is the biggest mistake that cannabis vape manufacturers are making today? The biggest mistake is relying on outdated technology, and those that are not leading in customization will be left behind. This is because no two concentrate formulations are exactly the same. Manufacturers need to be adapting their hardware to the needs of clients, moving past a one-size-fits-all approach. Our CTO, Pete Duckett, formally chief engineer at Dyson, is leading the way for us here at Greentank. The difference between hardware that performs on an elite level and hardware that leaves customers unsatisfied is all in the details. Adjusting heating elements, heat settings, airflow resistances, intake hole sizes or all of the above delivers a superior experience.

4 Why do a lot of cannabis vape companies utilize ceramics to heat concentrates?

Ceramic technologies provide far superior temperature control than many of the outdated vapes out there built off the back of wick-based e-cigarette technology. Generally speaking, ceramic heating leads to higher-quality vapor and elevated flavor profiles. Greentank is leading the way with several unique proprietary ceramic formulations that set us apart from the competition and deliver unprecedented taste profiles.

5 What does the future of cannabis vape technology look like? The future of cannabis vape technology is being propelled forward by those taking the lead. Every day, we strive to do better than yesterday as we uncover the full potential of the industry. Standardized safety measures, more accurate dose-control features and more transparency relating to ingredients and materials are game-changers. That's why we have a new in-house, state-of-the-art device lab. As we all build toward the future, we identified the need to look at producing technologies that will take the user experience to the next level.