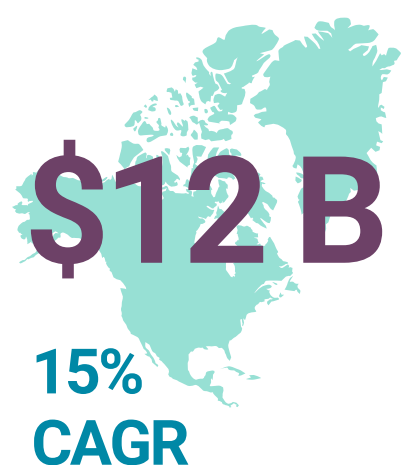


# STATE OF THE CANNABIS INDUSTRY 2019

Lux Research delves into the innovation opportunities, bottlenecks and barriers related to Cannabusiness. Highlighting the innovation trends in the developing medicinal and recreational cannabis industries.

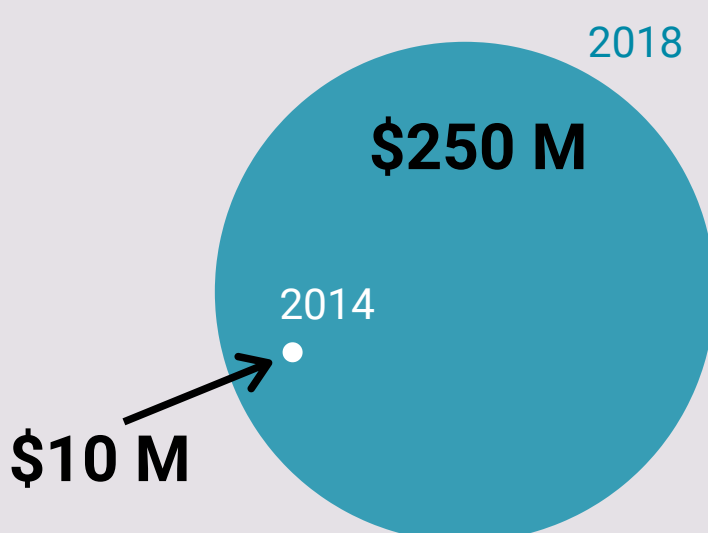


## CANNABIS INDUSTRY

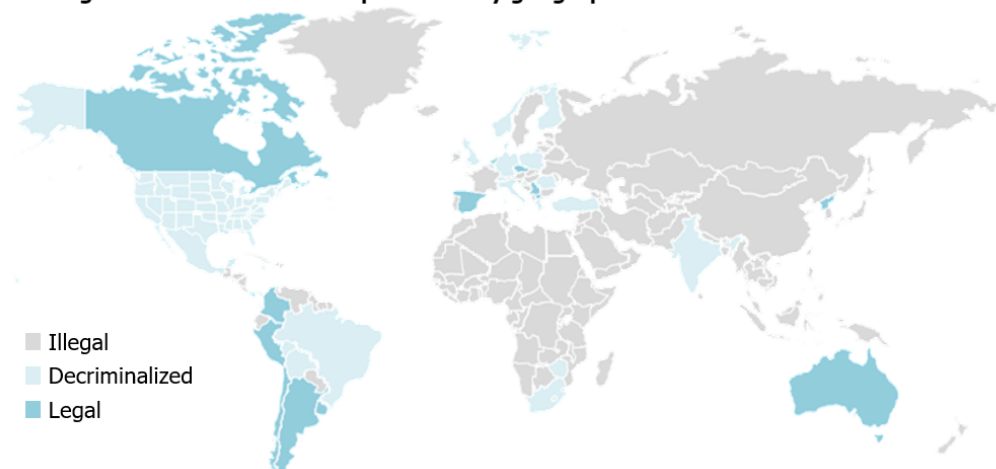
**North America** represents the majority of the **\$12 billion** industry, which is dominated by **Canada & the North West United States**. The cannabis industry will have a **15% CAGR** in the coming **5 years**.

## VENTURE FUNDING

VC funding in the industry has grown exponentially from **\$10 million** in 2014 to more than **\$250 million** in 2018.



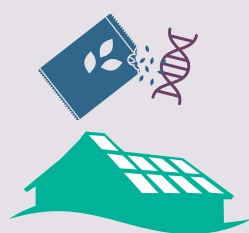
The legal status of cannabis expands in key geographies



The cannabis industry is most developed in North America. However, many other countries have begun to enact favorable cannabis regulations.

## CANNABIS VALUE CHAIN

### Cultivation



- Seed Trait Genetics
- Production Systems & Inputs
- Production Services

### Distribution



- Ecommerce
- Dispensaries
- Shipping & Logistics

### Processing



- Product Testing
- Extraction
- Novel Formulations & Synthetics

### Consumer Products



- Flower
- Concentrates
- Pharmaceuticals
- Ingredients

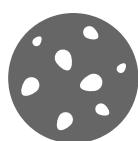
## CONSUMER PRODUCTS

Cannabis products are broadly split into 4 categories



### Flower

Medical/Recreational



### Edibles/Health

Drinks, Foods, Ingredients



### Concentrates

Solid and Liquid Extracts (resin, waxes, crystals, kief, oil, distillates, tinctures)



### Pharmaceuticals

Approved use (edibles, concentrates, and flower)