

# CANNABIS CONTROL & COMPLIANCE SOLUTION



SICPA

Enabling trust



# LEGALIZING CANNABIS: NOW WHAT?

Pressure on  
Governments  
& Industry to  
Ensure Regulatory  
Compliance



SUPPORT  
REGULATORY  
COMPLIANCE



CONFIRM  
PROOF OF  
ORIGIN



DETER  
THEFT AND  
FRAUD



PROMOTE  
PUBLIC HEALTH  
AND SAFETY



PREVENT  
ILLEGAL  
ACTIVITY

# 5 KEYS

## to Effective Cannabis Control & Compliance

1.

Create complete supply chain visibility for regulators



2.

Make authentication paramount



3.

Enable easy industry compliance



4.

Ensure solution works with legacy capabilities



5.

Use a flexible solution that can adjust to evolving needs



# ENSURING LEGITIMACY

## Multi-Layered Security is Vital to Effective Traceability

For any compliance program to be effective, you must be able to trust the data tracked along the way.

Most track and trace programs rely on serialization with unique codes marked on each product. Unfortunately, serialization alone does not prevent fraud or illegal activity. Barcodes and QR codes are easily copied and reused.

The SICPA solution uses unique, counterfeit-resistant stamps to protect the authenticity of legal products. The material- and information-based anti-counterfeiting elements on this stamp are vital to maintain the integrity of the unique codes.

### Trusted data adds value to traceability and consumers

- License types
- Product declarations
- Stamp activations
- Test results
- Tasting notes
- Product transfers
- Product receipt confirmations

Proprietary color-shifting ink cannot be copied or recreated and provides a visible check for authenticity



FRONT VIEW

ANGLE VIEW

QR codes link consumers to compliance program website



Alphanumeric code unique to each stamp links product and traceability details

ABC123

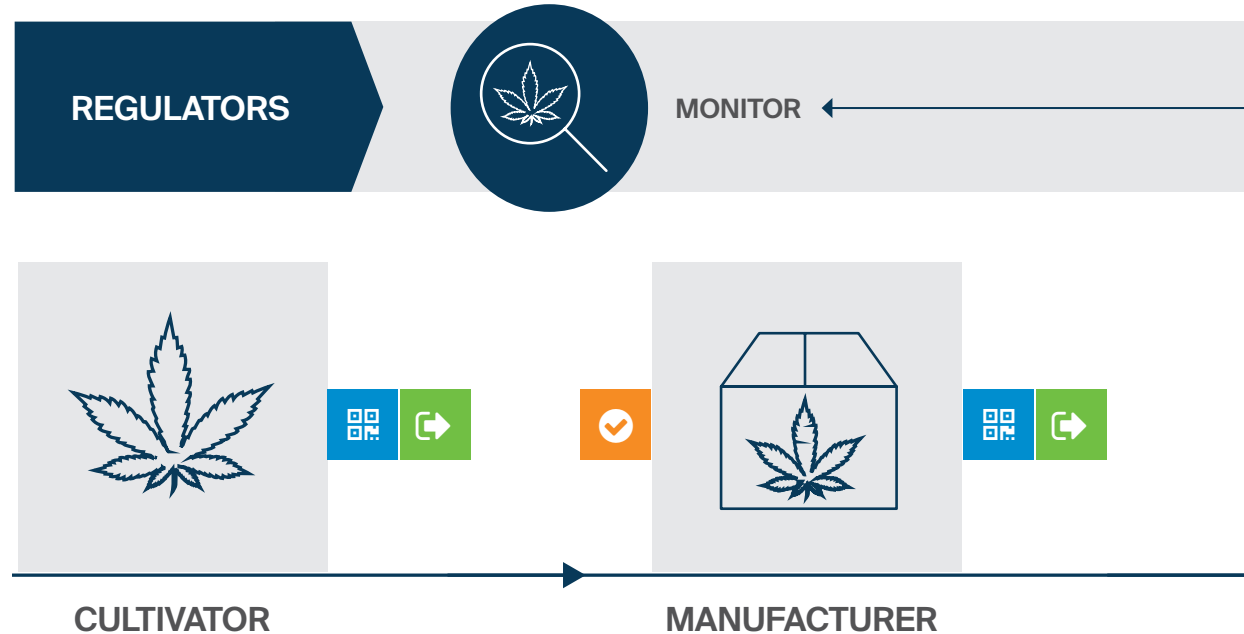
Tamper-proof cuts prevent stamp from being removed and reused on another product

Microprint adds another layer of security to prevent copying



# SICPA'S CANNABIS CONTROL & COMPLIANCE SYSTEM

Enabling Trust in the  
New Frontier of Legal  
Cannabis





Secure stamp links physical product to information stored in the secure, online system



AUDIT



INVESTIGATE

LAW ENFORCEMENT



DISTRIBUTOR

DISPENSARY

CONSUMER

# REGULATOR

Ensure Regulatory Compliance with Complete Supply Chain Visibility

## Benefits

- Complete solution aligns with industry operations for easy compliance
- Confidence in data through counterfeit-resistant stamp
- Simple product and volume reconciliation to identify suspicious activity
- Visibility across the supply chain to manage and report on compliance
- Market insight to shape future requirements
- Identification of diversion and injection across the supply chain





Track compliance

Monitor crop yields

Run reports

Flag suspicious or illicit activity

Manage taxation

**Stamp Trace**

Stamp No \* 000ZKT

- Planning
  - Production Declaration
- Products and Stamps
  - Products
  - Activations
- Transfers
  - Transfer Declaration
  - Delivery Confirmation
- Reports
  - Stamp Orders
  - Stamp Inventory
  - Stamp Trace
  - Inspection
  - Event Messages
  - Verify/APP Search History
- Administration
  - Users
  - Sites
  - Subsystems
  - Preferences

Product	
Product Name	Special Strain OG
Status	Valid & Activated
Product Description	Our special strain hand cultivated on sunnysouthern slopes. Intense high, mellow sensation. Revised 7/12/18 By Yang - updated Mahant
Product Type	Dried flowers
Product Packaging	10 g/oz bag
Stamp No	000ZKT
Product ID	318
SKU	10003 001
Producer Name	Green Farms
Activation License	2345
Activation City/ST	Truck City CA
Activation Date	1/07/2016
Activation THC%	23.931
Activation Net Wt(g)	454.010
Batch ID	000ZKT-1
Source Batch ID	
Test Results	<a href="#">A</a>

Transfer From	
Transfer No	137
License Number	2345
Name	Green Farms
Departure Date	1/07/2016
Departure Time	10:00 AM
Additional Information	
Recorded By	janrdhi
Recorded Date	1/07/2016
Recorded Time	11:17 AM

Transportation Agent	
Vehicle ID	CAABC01234
Name	Paki Truck, LLC

Transfer To	
License Number	48
Name	Green Manufacturing
Arrival Date	1/07/2016
Arrival Time	02:00 PM

Transfer Confirmed	
Confirmed By	janrdhi
Confirmed Date	1/07/2016
Confirmed Time	11:20 AM

# CULTIVATOR

Compliance Starts  
Here—Make It Simple



## Benefits

- Easy on-ramp to regulatory compliance
- Kick off supply chain visibility
- Track product data
- Seamlessly integrates with seed-to-sale systems designed for industry operations
- Simple to navigate, intuitive user interface aligned to cultivator work flow and government compliance needs



Each plant can be uniquely identified ...



... and linked to a batch/lot for volume reconciliation and tracking across the supply chain

Humboldt County, California  
 Medical Cannabis Provenance Control System

Connected As jzanchi - [Web Administrator] | [Contacts](#) | [About](#) | [Logout](#)

10-06-2016 11:42:14 AM PDT

**Production Declaration** [+ Add a planting](#)

License:

Strain Name:

Planting ID:

Planting Batch ID:

Planting Date From:

Planting Date To:

Yield Date From:

Yield Date To:

5 plantings found

License	Strain Name	Planting ID	Planting Batch ID	Light Type	Light Subtype	Planting Date	Plant Qty	Yield Date	Yield Lbs	Actions
Green Farms (2345)	Blue Dream	122	10005.001	Mixed	Gavita 500W	08-15-2016	19	10-28-2016	5.7	<a href="#">A</a> <a href="#">B</a> <a href="#">C</a>
Green Farms (2345)	Sour Diesel	14	10004.001	Outdoor		07-13-2016	47	10-21-2016	7	<a href="#">A</a> <a href="#">B</a> <a href="#">C</a>
Green Farms (2345)	Special Strain OG	13	10003.001	Outdoor		03-09-2016	90	06-23-2016	16	<a href="#">A</a> <a href="#">B</a> <a href="#">C</a>
Green Farms (2345)	Special Strain OG	10	220.1	Outdoor		04-01-2016	29	06-30-2016	8	<a href="#">A</a> <a href="#">B</a> <a href="#">C</a>
Green Farms (2345)	OG Kush	3		Outdoor	Light deprivation	04-06-2016	14	08-31-2016	2.5	<a href="#">A</a> <a href="#">B</a> <a href="#">C</a>

Production declaration

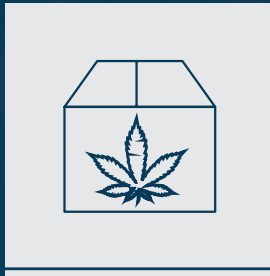
Manage product catalog

Activate and apply stamps

Initiate product transfers

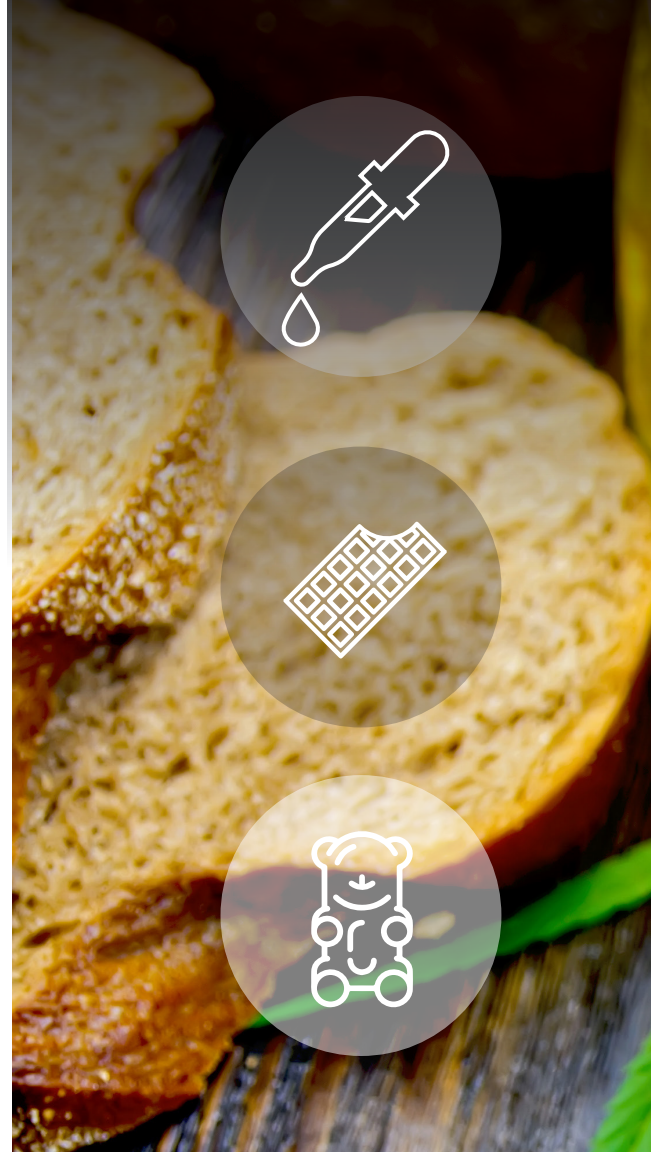
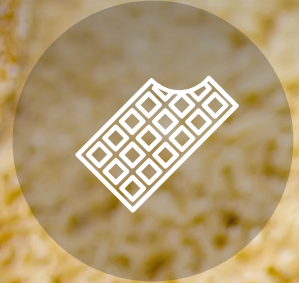
# MANUFACTURER

Maintain Traceability  
Even when Products  
Change Forms



## Benefits

- Product details are retained as agricultural product is transformed into manufactured goods
- Continued supply chain visibility supports volume reconciliation
- Documentation is standardized to track supply chain movement for all stakeholders
- Derivative products from the manufacturing process are uniquely identified and reconciled



Manage Transfers 10-07-2016 11:14:58 AM PDT

[+ Add Transfer](#)

Transfer from License

Transport Agent

Transport Vehicle ID

Ship to License

Stamp No

Product

Transfer Date From

Transfer Date To

---

14 transfers found

Transfer No	Transfer from License	Transport Agent	Transport Vehicle ID	Ship to License	Stamp Qty	Transfer Date	Submitted By	Actions
81	Green Farms (2345)			TestLicenseSite (187)	1	07-21-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/>
82	Green Farms (2345)	Green Agent	CA YZ0001	Green Manufacturing (48)	1	07-25-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/> <input type="button" value="p"/>
84	Green Farms (2345)	A's Trucking LLC	CA 9ABC123	Bob Dispensary (51)	1	08-05-2016	jzanchi	<input type="button" value="v"/> <input type="button" value="x"/>
85	Green Farms (2345)	Speedy van	CA 9ZYX123	Green Manufacturing (48)	1	08-23-2016	jzanchi	<input type="button" value="v"/> <input type="button" value="x"/>
88	Green Farms (2345)	Agent 1		Green Manufacturing (48)	1	08-24-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/> <input type="button" value="p"/>
89	Green Farms (2345)			Green Manufacturing (48)	2	08-25-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/> <input type="button" value="p"/>
90	Green Farms (2345)	SICPA AGENT	SICPA VEHICLE	Green Manufacturing (48)	1	08-25-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/>
92	Green Farms (2345)	AGENT	Vehicle	Green Manufacturing (48)	1	08-25-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/> <input type="button" value="p"/>
93	Green Farms (2345)			Green Manufacturing (48)	1	08-25-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/> <input type="button" value="p"/>
94	Green Farms (2345)	AGENT	VEHICLE	Green Manufacturing (48)	3	08-25-2016	webadmin	<input type="button" value="v"/> <input type="button" value="x"/> <input type="button" value="p"/>

1 to 10 > >>

Manage product catalog

Confirm receipt of products

Activate and apply stamps for manufactured goods

Transfer products

# DISTRIBUTOR

Easily Demonstrate  
Legal Operations



## Benefits

- Maintain traceability through distribution to point of sale
- Transport manifests link product in transit with stamp numbers and system information in one document
- Confidently validate product in transit with anti-counterfeit stamps





- ▼ Planning
  - > Production Declaration
- ▼ Products and Stamps
  - > Products
  - > Activations
- ▼ Transfers
  - > Transfer Declaration
  - > Delivery Confirmation
- ▼ Reports
  - > Stamp Orders
  - > Stamp Inventory
  - > Stamp Trace
  - > Inspection
  - > Event Messages
  - > Verify App Search History
- ▼ Administration
  - > Users
  - > Sites
  - > Subsystems
  - > Preferences

Manage Confirmations

**Transfer Manifest Report**

OK    Export

**TRANSFER MANIFEST DETAIL**      **Transfer No**  
 Humboldt County, CA - Medical Cannabis Proof of Origin Track and Trace System      337

**Additional Information**

TRANSFER FROM		TRANSPORTATION AGENT		TRANSFER TO	
License No	2345	Vehicle ID	CA ABCD1234	License No	48
Name	Green Farms	Name	Fast Truck, LLC	Name	Green Manufacturing
Address 1	8723 Test Street	Address 1		Address 1	123
Address 2		Address 2		Address 2	
City, State	Test City, CA	City, State		City, State	Arcata, CA
Zip Code	92837	Zip Code		Zip Code	98785
Departure Date	10/7/2016	Estimated Date	10/7/2016	Estimated Date	10/7/2016
Departure Time	10:00 AM	Estimated Time	2:00 PM	Estimated Time	2:00 PM

Signature	Date Recorded	Time Recorded	Signature	Date Recorded	Time Recorded	Signature	Date Recorded	Time Recorded
Julien Zanchi	10/7/2016	11:17 AM						

**CONTENTS**

Batch Id	Product ID	Product Description	Product Type	Packaging	Quantity	Unit Net Wt (g)	Total Net Wt (g)	Stamp
000ZKT-1	318	Special Strain OG	Dried flowers	mylar bag	1	454.01	454.01	000ZKT
<b>Total</b>					<b>1</b>		<b>454.01</b>	

95	No	Green Products License Site (47)	Green Manufacturing (48)	1	08-25-2016		
94	No	Green Farms (2345)	Green Manufacturing (48)	3	08-25-2016		
92	No	Green Farms (2345)	Green Manufacturing (48)	1	08-25-2016		

Confirm product receipt

Initiate product transfer

Demonstrate product in transit is legally changing hands

# DISPENSARY

Compliance through  
Point of Sale



## Benefits

- Stamped products build consumer confidence
- Materials to educate staff and consumers
- Product detail tracked with stamps helps dispensaries advise consumers on product selection

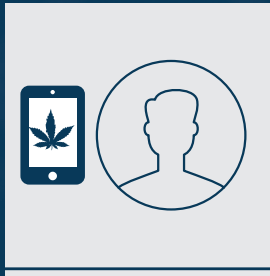






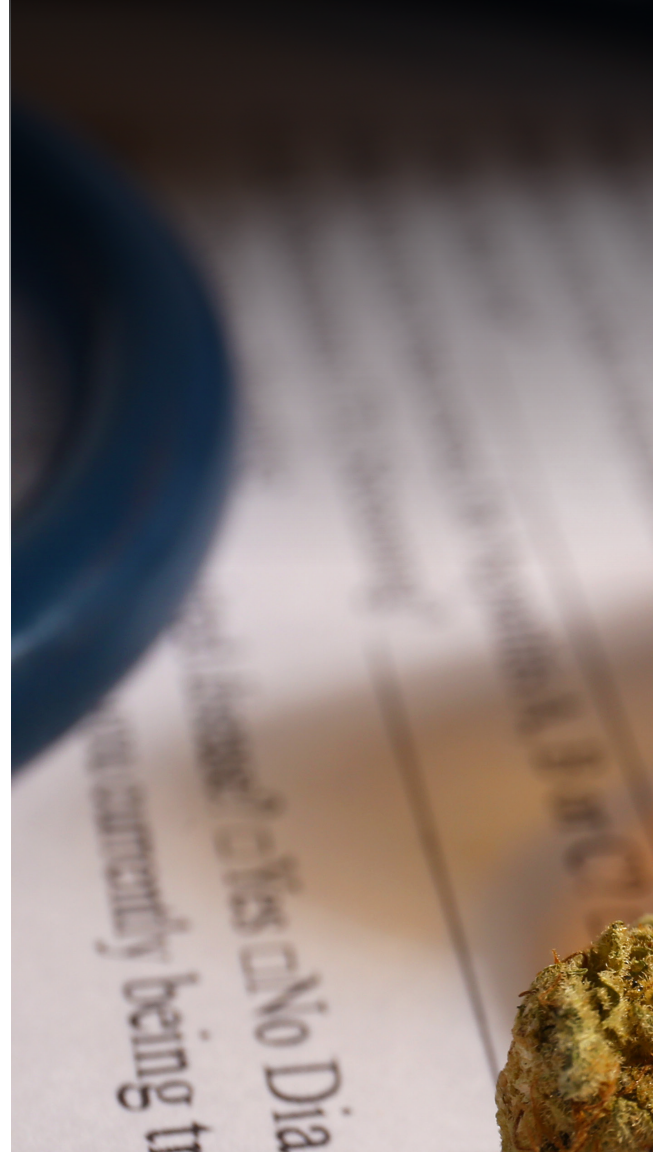
# CONSUMER

## Confidence Delivered




### Benefits

- Confidence they are getting products produced legally
- Proof of origin to confirm products are genuine
- Learn more about products such as test results, tasting notes and growing conditions
- Use product information to confirm desired use




Sign in  
<https://www.humboldtorigin.org/>



# HUMBOLDT PROOF OF ORIGIN


Home   The Project   The Participants   The Humboldt Region



**Humboldt Proof of Origin**  
 In Humboldt County, great climate, diverse strains and years of growing experience work together to produce some of the world's finest medicinal cannabis.

9:35 AM 100%

← Back   Product details



**Special Strain OG**

**Description:** Our special strain, sun grown in the eastern part of the county. 1 to 1 CBD to THC ratio

**Stamp Code:** 0024FT

**Product No:** 987654321

**Producer:** Demo - Cultivator

**Registration Location:** Humboldt, CA

**Registration Date:** 08-03-2016

**THC%:** 23.931%

**Net Weight (g):** 454.00

**Batch:** 0024FT-1

**Test Results:** <http://www.humboldtorigin.org/ii/activation-84.pdf>

Info   Scan   Report   History

Confirm product origin

Review product information

Report suspicious stamps and activity

# LAW ENFORCEMENT

## Simplify Investigations

### Benefits

- Stamps and multi-platform access allow for on-the-spot product authentication and traceability
- Secure transport manifests validate that product in transit is in the right hands
- Unambiguous identification of legal vs. illegal products





**Authenticate product**

**Confirm legal possession**

**Use data to investigate suspicious activity**

# ENSURING INTEGRITY

## Sample Solution Architecture



**CULTIVATOR**

- Production Declaration
- Product Catalog
- Stamp Ordering
- Product Stamping
- Product Transfers



**MANUFACTURER**

- Product Catalog
- Stamp Ordering
- Product Stamping
- Product Transfers
- Confirmations



**DISTRIBUTOR**

- Product Transfers
- Confirmations



**DISPENSARY**

- Confirmations



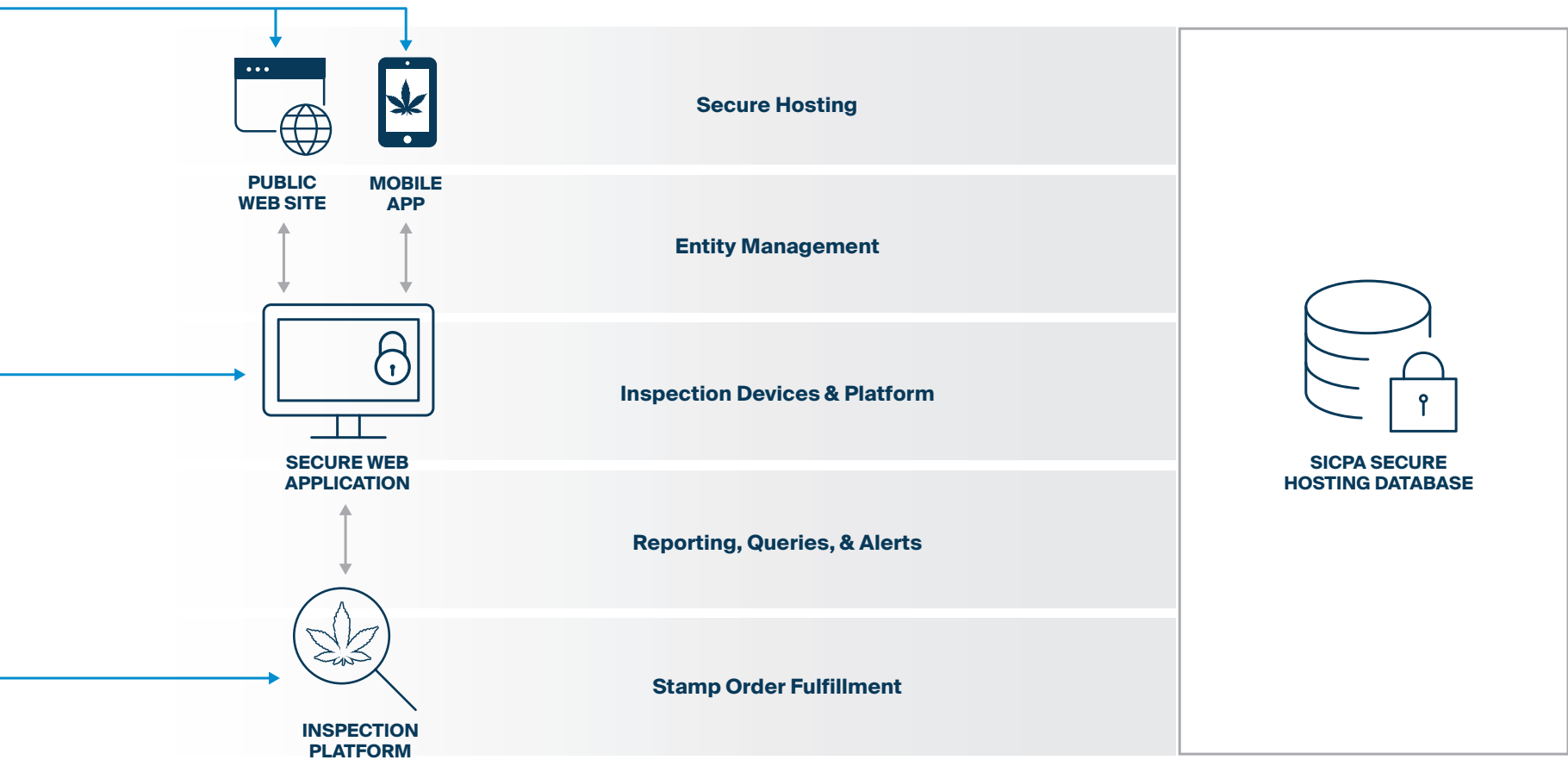
**CONSUMER**

- Proof of Origin
- Authentication
- Product Information
- Test Results
- Feedback



**REGULATORS  
AND LAW  
ENFORCEMENT**

- Entity Registration
- Entity & Market Oversight
- Inspections/Audits
- Revenue Collection



# HUMBOLDT COUNTY, CALIFORNIA

## Compliance in Action

After legalization of medical cannabis in California, the state passed MCRSA (The Medical Cannabis Regulatory and Safety Act) Track and Trace requirement. SICPA started the program August 1, 2016. Humboldt is the first county in California to implement track and trace of medical cannabis.

In Humboldt County, great climate, diverse strains and years of growing experience work together to produce some of the world's finest medical cannabis. SICPA's solution enables Humboldt County to manage compliance across the supply chain, while also certifying proof of origin.



*“SICPA was really supportive in answering questions and helping to alleviate any trepidation ... They have offered outstanding customer support and the pilot participants have been very outspoken in their appreciation of SICPA’s efforts.”*

– Jeff Dolf, Humboldt County  
Agricultural Commissioner



SOUTH SIDE, UPTOWN

**Humboldt Pioneers New  
Paths for 'Track and Trace'**

**County launches program to track medical can**

**Cannabis at a Crossroads**

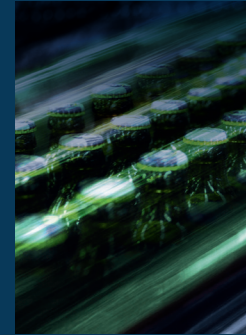
**HUMBOLDT COUNTY MARIJUANA: STAMP OF APPROVA**

# ABOUT SICPA

Every day,  
governments,  
companies and  
millions of people rely  
on SICPA to protect  
the integrity and value  
of their currency,  
personal identity,  
products and brands

## Success Across Industries

including tobacco, alcohol, pharmaceuticals and more





**>80B**

products tracked each year



**60+**

years of experience  
providing traceability and  
excise tax management

**43**

states and 160  
municipalities rely on SICPA  
as a trusted provider of  
compliance solutions



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Enabling trust