



# VERDA

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## MEDIA KIT

VERDA INNOVATIONS INC.



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# WHAT IS VERDA?

Founded in Waterloo Ontario, VERDA is a retail solution built from scratch for the legal cannabis market. With a passion for eliminating the illicit markets by delivering consumer convenience, these entrepreneurs are focused on creating an industry defining cannabis technology company that creates value for government, consumer and retail stakeholders.

# HOW DOES THE VERDA PLATFORM WORK?

VERDA allows users to browse products & retailers in their area - with real-time access to each store's inventory levels. Users can then choose to purchase their favourite products from their favourite stores with same day delivery, or use the real-time inventories to see where to go purchase.



## **MACKENZIE FERGUSON, President**

Mackenzie is a passionate thought leader in the cannabis space. He studied Commerce at the University of Toronto's Rotman School of Business, prior to co-founding VERDA.

## **EVAN ROZAKIS-ADCOCK, CEO**

Evan is an enthusiastic entrepreneur who is passionate about eliminating illicit markets and ending the stigma surrounding cannabis. He studied Business Administration at Wilfrid Laurier University prior to co-founding VERDA.



## **STEPHEN MASSEUR, CTO**

Stephen is dedicated to building the best cannabis purchasing platform in existence. He studied Commerce at the University of Guelph prior to co-founding VERDA.

Stephen has a long history of entrepreneurship, starting at age 15 when he built and sold a cloud hosting company.



# LEARN THE FACTS

## THE ROOT OF ILLICIT MARKETS: PRICE vs. CONVENIENCE

A 2018 SSA study found that given **equal access**, consumers are willing to pay ~50% more for legal cannabis.

Source: Price elasticity of illegal versus legal cannabis: a behavioral economic substitutability analysis (SSA, 2018)

### ILLICIT MARKET STATS

#### SIZE OF CANNABIS MARKET

CANADA (Q4 2018)		USA (2018 Full Year)	
LEGAL = \$172M	13%	LEGAL = \$5.3-\$6.2B	11%
ILLICIT = \$1,171M	87%	ILLICIT = \$44-\$50B	89%

### OTHER STATS

#### Arcview & BDS Analytics Cannabis Intelligence Briefing (2018)

In the US, legal cannabis spending will grow at a **25%** yearly growth rate for the **next 4 years**.

#### StatsCanada (Q4 2018)

**33%** of Canadian cannabis users consider accessibility when selecting a source of cannabis

**76%** of Canadian cannabis users consider quality and safety when selecting a source of cannabis

## **Is VERDA an App or a Website?**

VERDA is a platform - retailers access VERDA through our retail portal and retailer app, couriers access VERDA through our courier portal, and end users are able to access VERDA through our web app.

## **How does VERDA deliver Cannabis Products to end users?**

VERDA uses established third party common couriers to pick up customer's orders from licensed Cannabis retailers. Common carriers are trusted local businesses with full-time employees who are insured and follow regulations.

## **How does VERDA ensure Cannabis products are not purchased by under-age individuals?**

Regulations require ID and signature on delivery. VERDA exceeds these basic requirements by verifying the user's ID on sign-up, then requiring the verified account holder to present ID and sign upon delivery.

## **Why isn't VERDA launching across Canada?**

VERDA's platform is live and ready to support licensed Cannabis retailers across the country. However, government regulations do not currently allow 3rd party businesses to facilitate Cannabis sales online.

## **Why are you on a mission to eliminate illicit markets?**

Despite legalization, Illicit Cannabis markets are thriving - as a result, unsafe products are being sold through illicit channels creating health and safety risks for consumers.

MANDEL: Were teens poisoned with fentanyl-laced pot? | Toronto Sun - May 16, 2019  
(<https://torontosun.com/news/local-news/mandel-were-teens-poisoned-with-fentanyl-laced-pot>)

## **How big are the illicit markets?**

According to StatsCan, over 87% of Cannabis sales were from illicit markets in Q4 of 2018.

## **Most say price is the primary problem contributing to illicit markets, how does VERDA solve this? How does improved convenience put illicit markets out of business?**

Convenience is often overlooked as one of the primary reasons for the continued size of illicit markets. While price is certainly a factor, a study by the SSA found that given equal access, consumers are willing to pay ~50% more for legal cannabis. VERDA's mission is to bring the convenience of illicit markets to - in the form of easy online ordering and same day delivery - to legal, licensed cannabis retailers across North America.

*Source: Price elasticity of illegal versus legal cannabis: a behavioural economic substitutability analysis (SSA, 2018)*

## **What are the current government regulations?**

Currently none of the provincial governments have provided framework that allows third party software providers to operate. Saskatchewan has implemented both private online and retail - allowing VERDA to demonstrate its software and begin working towards transitioning sales from illicit markets to legal markets. We are ready to implement our software across the country and are working with governments to do so.

## **What does the government need to do?**

The government needs to create a framework that allows private 3rd party software providers to provide accessible and convenient legal cannabis to consumers. VERDA's platform is ready to go, we just need governments to allow VERDA to solve the illicit market problem.

