

Hemp Report II



[Hemp Report II | August 10, 2015]



Dewmar International formed the United States Hemp Corporation, LLC (USHC) as a subsidiary to become a best of breed incubator of premier hemp brands and products in the USA. In March 2014 we published [Hemp Report I](#) to document USHC’s progress in the industry. This is the second report which provides updates from the first report (published in early 2015) and future growth initiatives for the business.

The U.S. Hemp Corporation’s team of cannabidiol, hemp and natural food experts continue to lead R&D and product development efforts in this growing market.

Since publishing Hemp Report I we have continued to see strong growth and progress with our line of hemp beverage products.

Hemp Beverages Updates:

- With the launch of the US Hemp Corporation e-commerce website earlier this year, we began selling our brand managed hemp beverage products online including C+SWISS, CannaEnergy, and Chillo.
- Our best selling products online to date have been the [CannaEnergy 6 Pack](#) and the [C+SWISS case](#). We have found customers typically like to sample the CannaEnergy flavors before selecting which case they want to buy, while the great taste of C+SWISS keep customers coming back for repeat orders.
- Reminder: our state-of-the-art, eco-friendly packaging for licensed product C+SWISS won the Best New Product in Packaging award at the World Tea Expo. In their congratulatory letter, the World Tea Expo wrote: “There is no need for consumers to worry that aluminum has leached into their beverage and no need to worry about adding more plastic to the ocean. The packaging is safe, eco-friendly and eye-catching.”
- The USHC team attended the [2nd Annual NoCo Hemp Expo](#) which took place at the Budweiser Events Complex in Loveland, Colorado. The team reported it was the best hemp industry conference they have attended which further validated that Colorado is

truly becoming the Silicon Valley of Hemp, and the ideal location for U.S. Hemp Corporation to continue to incubate and launch relevant businesses that can grow with the overall market. The conference had 70+ vendors, 50+ speakers and panelists and 1,300 attendees. It was hailed the biggest hemp-centric gathering of like minded individuals in the USA.

- To celebrate the 4th of July we ran a “Made in America!” promotion across our complete line of Hemp related products on our e-commerce platform. The promotion exceeded revenue projections as we successfully sold more products in July than in any previous month since launching the site.

We will continue to sell and market our hemp-infused beverages online and into traditional wholesale/retail channels. Look for an announcement in the months to come of a new hemp beverage brand that will be added to the Dewmar portfolio.

Kush Cakes:

The first-to-market product from the USHC incubator was a new hemp-infused launch of an industry classic, [Kush Cakes relaxation brownie](#). We are happy to report it was a successful launch that took place over the course of the following events:

April 14-15: The [Big Industry Show](#) was held in Denver, Colorado. It was a must attend show for retailers, wholesalers and distributors. We strategically selected this event to launch the new and improved hemp infused Kush Cakes brownie. Our exhibit at the show was the perfect catalyst for the smoke shop channel and its many mega-distributors. We received many case orders from small smokeshop chains as well as a couple of pallet orders from larger chains and small distributors. Since the show, as expected, both online Kush Cakes sales and distributor and small chain orders have achieved exponential growth.



April 18-20: We attended the [Cannabis Cup](#) in Denver as it is the largest cannabis event in the United States with 700+ vendors, three levels of VIP experiences, world-class musical entertainment, awards show and the biggest 420 party on the planet. Although the event is focused on marijuana products – and not hemp – we found the PTSD panel on veterans to be of significance. As a veteran owned business, Dewmar International continues working with its partners to address the medical needs of veterans using cannabis, particularly cannabidiol.

April 20-22: We exhibited Kush Cakes at the [Marijuana Investor Summit](#) in Denver, CO. The event was focused on the investment community, where Kush Cakes stood out as a best of breed edible product. This conference helped our team generate sales and meet industry leaders in medical cannabis, infusion R&D and product manufacturing. At this event Dr. Moran spent two days with many healthcare professionals discussing the positive effects of Medical Marijuana on various patient populations. Dr. Moran established relationships with world-renown researchers for PTSD and veterans support organizations. Shown below with Dr. Moran is [Dr. Sue Sisley](#), the only non-government employed physician allowed to research the effects of marijuana for the treatment of PTSD and was featured heavily in Dr. [Sanjay Gupta's Weed 3](#) featured on CNN. Featured to the right of Dr. Moran is [Dannion Brinkley](#), a New York Times bestselling author and the founder of the [Twilight Brigade](#), a nonprofit organization for dying veterans.



Pictured from left to right are Dr. Sue Sisley, Dr. Marco Moran, Dannion Brinkley

June 1 – June 7: [Hemp History Week](#) is a nationwide education campaign and marketing program put on by the [Hemp Industries Association](#), of which Dewmar International is a [full member](#). The week long mission was to generate strong support for hemp farming in the U.S. while raising awareness about the benefits of hemp products. The 6th Annual campaign includes grass-roots events across the country, nationwide retail promotions, hemp plantings in states where hemp farming is legal under Section 7606 of the U.S. Farm Bill, documentary screenings,

and farmer outreach. The U.S. Hemp Corporation exhibited Kush Cakes at the [Hemp Farmer's Market](#) in Denver, where it garnered attention as a best in class hemp product.



As part of Hemp History Week, Dewmar ran a sales and marketing campaign with our friends at the [Hemp Box](#). For the campaign, Kush Cakes were distributed to 1,000+ Hemp Box subscribers in the June Hemp Box. This was great exposure for the brand and a perfect box-set to be a part of since it was Hemp Box's one year anniversary box and showcased Kush Cakes as an industry leading hemp infused brand next to Manitoba Harvest and the Wonder Seed.

June 16: The USHC team attended the [Cannabis Capital Summit](#) where eight privately owned cannabis start-ups pitched a room of RVC accredited investors. Seven of the companies were marijuana start-ups, while the only hemp company that pitched, [NewWest Genetics](#), won the pitch's "Venture Bucks" competition. Venture Bucks is where every investor in attendance places their vote – with play money, aka Venture Bucks – for the best company pitch. We were proud to see NewWest Genetics win the event, not only because they are a hemp company, but because our team at USHC mentored them throughout 2015 at the [RVC Pitch Academy](#), Hemp Investor Briefing and the Hemp Investor/Founder dinner. We are in current discussions with NewWest Genetics exploring partnership opportunities for the use, application and monetization of particular strains of high yielding oils hemp seeds for growth in specified soil types and warm Southern U.S. climates!

According to financial projections from GreenWave Advisors, the cannabis industry could be worth \$35 billion by 2020. Amongst this industry growth, Dewmar is positioning itself and its subsidiaries to capture business opportunities within both the hemp and ancillary products/services to the cannabis space from hemp-infused nutraceuticals to medical and recreational marijuana devices to name a few.

Lastly, Dewmar is establishing more close relationships with a number of universities throughout the country to develop new products from research and enlist in hemp grow projects that will yield revenue for those institutions to help them become less dependent on the federal and state government for supplemental funding.

Dr. Marco Moran, President & CEO

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