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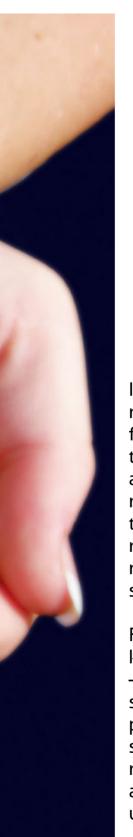
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How to win friends, influence people, and be compliant: Canna-promotion on social media

WHITNEY ABRAMS

I, like so many, use social media for everything. From finding new places to travel, things to see, places to eat, and new products on the market. Naturally, to find these things I follow numerous bloggers and social media influencers in various subjects of interest.

For those readers that don't know what an "influencer" is – brands will often strategically partner with people who have curated social medial presences as a marketing tool to build brand awareness, loyalty, and ultimately, to drive audiences

to buy whatever they are selling. Influencers typically cover niche markets, like food, travel, fashion, etc. Most of them know that they love and support a product, and decide to promote products on that basis.

I have written previously for Cannalnvestor on the topic of the Canadian (and US) public's love affair with CBD. Everyone is curious about it and wants the benefits of CBD in any way they can get it. Influencers in the health and fitness industry are no exception to this. Once the recreational market in Canada



came online (and even before that) I started to see certain Canadian influencers posting and sharing about CBD and cannabis, touting it as a natural alternative to traditional pain relief, a cure for insomnia, and/or the best new part of your skincare routine. Of course they are, #CBD is hot right now.

But, many of these influencers are running afoul of the special set of promotion and advertising restrictions set out in the Cannabis Act and Regulations without knowing it. Some don't know about the application of the Cannabis Act at all.

The Cannabis Act defines "promote" as: in respect of a thing or service, means to make, for the purpose of selling the thing or service, a representation – other than a representation on a package or label – about the thing or service by any means, whether directly or indirectly, that is likely



to influence and shape attitudes, beliefs and behaviors about the thing or service.

More specifically, promotion or social media content that constitutes an endorsement or a testimonial is strictly prohibited under the Act and Regulations. In addition, any posts which make unproven health or therapeutic claims. Any impression that an influencer may state about a cannabis or cannabis products'

characteristic, value, composition, purity, quality, merit, safety, or health effect runs afoul of the Cannabis Act.

Interestingly enough, another danger is the foreign media prohibition. The Cannabis Act states that it is prohibited to promote, in any way that is prohibited by Part 1 of the Cannabis Act, cannabis, a cannabis accessory, or a brand element of either of those in a publication, broadcast, or communication that originates outside Canada. What about influencers that broadcast their message, film or create content outside of Canada? That could be a double whammy.

It is important for influencers to become educated on the limitations of brand partnerships and endorsements before getting into trouble unknowingly.

If you are building your brand, are in influencer, or know someone who is, contactWhitney Abrams (wabrams@mindengross.com or 416-369-4148) to protect yourself and learn the limits of the legal framework.