

COALITION FOR ADULT BEVERAGE ALTERNATIVES

Hemp-Derived THC Beverage Distributor Education

January 2025



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The Coalition for Adult Beverage Alternatives (CABA) aims to educate and influence federal legislation through a clear code of operating conduct and sensible product and marketing regulations promoting consumer safety.

OUR MISSION

Establish a unified voice across key stakeholders in the hemp and alcohol industries allowing for the accessibility and commerce of hemp-derived THC (Delta-9) beverages through traditional retail locations.

COALITION PILLARS

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Consumer

Education





Sensible Regulation





RECOMMENDED REGULATION

- Proper age gating: 21+
- Access to alcohol distribution & retail
- 3rd party testing
- Standardized packaging requirements
- No marketing to minors
- No health claims
- Low dose THC beverages defined
 - Up to 10mg per serving
 - 100mg per package





Exclusively represent the beverage category





MEET YOUR HOST: Diana Eberlein Chair

Washington, DC

- Cannabis Beverage Consumer since 2016
- Just like CABA, I'm beverage ONLY
- Recovering D.A.R.E Baby
- 8 years working in cannabis
 - 7 years in cannabis beverage
- Favorite THC Beverage Too many to list
- Also love red wine, and collecting wine glasses





PAMO





THE PURPOSE OF THIS PROGRAM:

Educate distributors and retailers so safe products are accessible to consumer.

- New Adult Beverage Alternative The Basics
- Market Updates: THC Beverages on the Rise
- Evaluating THC Beverages
- Packaging/Label Recommendations
- Responsible Consumption
- FAQs
- Resources



A NEW ADULT BEVERAGE ALTERNATIVE Understanding THC Beverages

Definition

- THC beverages are cannabis-infused drinks containing D9 THC from hemp or marijuana/ cannabis sources
- D9 THC is the same compound and has the same effects regardless of the source

Types

Available in low-dose and high-dose options, including:

- Ready-to-drink
- Multi-serving/ ready-to-pour
- Ready-to-mix
 beverage additives

Legality

- The 2018 Farm Bill
- State regulations vary
- CABA provides guidelines, but does not provide legal advice



BENEFITS OF THE BEVERAGE

As a Consumption Method

Enjoyable, Consistent Experience

- Discreet & Familiar
- Socially Acceptable
- Consistent Experience & "Sessionable"
 - \circ Onset: 10 20 minutes
 - \circ Offset: 1 1.5 hours
- First sip as the same dose as the last
- Low & No Sugar/Calorie Options
- Great taste!





Something for every adult consumer

- All Demographics, 21+
- New/Returning to Cannabis Consumers
- Seeking Adult Beverage Alternatives
- Health & Wellness

Low-dose THC beverage consumers often don't identify as "cannabis consumers".





- Experienced cannabis consumers
- Cannabinoid knowledge
- Low dose accounted for 0.3% of the market
- High-dose preferred
- High sugar more likely accepted

DISTRIBUTION

Traditional THC Dispensary

Where Alcohol Is Sold & Served



- Often new to cannabis
- Seeking adult beverages or alternatives
- Retailer is part of consumer's routine
- Low-dose is appropriate for this stage of consumer education and awareness



Anywhere alcohol is sold and served*

- Licensed Alcohol Retailers
- Restaurant/Bars
- Event/Entertainment Venues

Fun Fact: In Minnesota, some restaurants reported an increase in desserts and appetizers at tables ordering THC beverages.



*Varies by state regulations.

MARKET SHIFTS SINCE 2024 Normalization of THC Beverages

It's not just Minnesota anymore!

- Alcohol & Hemp Industry Join Forces
- 32 States (regulations vary)
 - $_{\odot}$ Typical Dosage Caps: 5 or 10mg
- Retailers 20% Growth MoM
- Market Projections* (Fortune Business)
 - $_{\odot}~$ Global \$117.05B by 2032
 - North America \$81.44B

*If a regulation allows for continued accessibility



LIQUOR STORES

BARS





RESTAURANTS

VENUES



REGULATORY UPDATE

When will we have regulatory stability?

Key Dates

- Farm Bill End of 2025
- Appropriations March 14th
- Markets to Watch*:
 - \circ CA
 - **TX**
 - o **FL**
 - o TN

*While CABA is a federally-focused coalition, we will support partners at the state-level when needed.

STATES CURRENTLY LEGAL TO BE SOLD IN





EVALUATING THC BEVERAGESKey Factors

- Legal Compliance
- Dosing
 - Transparency
 - Marketing/Labeling
- Ingredients
- Chain of Custody







LABELING & PACKAGING

Dosage – Front & Center

Ingredients / Nutritional info

Best Practices

- Age Restriction / 21+
- Manufacturing Info
 - Testing/traceability
 - Disclaimers
- Universal THC Symbol (ASTM)
 - State specific requirements



FREQUENTLY ASKED QUESTIONS What Distributors Need to Know

- Are THC beverages legal to sell? (Compliance)
- Are there licenses needed for wholesalers and/or distributors?
- How is the brand marketing their product?
- Where should THC beverages be positioned in a retail location?
- Can I ask about a brand's supply chain partners? (YES)
 - What kind of documentation should I ask for?

EDUCATE YOUR PARTNERS What Retailers & Consumers Need to Know

- Is the THC in Total Wine the same as the dispensary?
- What's the difference between traditional edibles and drinks?
- Are there side effects to THC consumption?
- How old do you need to be to purchase THC-infused beverages?
- Do THC beverages contain alcohol?
- How much should I drink if I'm new to THC beverages?



- Most new consumers drink between 10 15mg of THC in a single drinking occasion.
- Your alcohol tolerance does not matter when it comes to THC tolerance – and the spectrum of tolerance is much wider!



2.5MG THC BEVERAGE*



* These examples are typical for new consumers, but effects vary. It's important to 'start low and go slow' when learning tolerance. ~2.5mg is a good starting point.

INSURANCE REQUIREMENTS Do you need it and where can you find it?

Current State:

- Insurance providers developing THC teams
- On-premise consumption
- Large hospitality venues Challenging
- Event insurance

Top Questions:

- Can alcohol & THC beverage co-exist in hospitality settings? What about cross-fading?
- How can you tell when someone has had too much?





RESOURCES Where can you get more information?

CABA – Contact Us!

- Code of Conduct Best practices and recommended regulations
- Industry Overview One Sheet
- Private Education Sessions
- **Coming Soon** Template Regulations

Contact:

Diana Eberlein, Chair

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Training & Certification Partner





CANNABIS BEVERAGE CERTIFICATION Train your team and get certified!



THE WORLD'S FIRST THC-INFUSED BEVERAGE TRAINING & CERTIFICATION PROGRAM







UPCOMING EVENTS

Meet up & learn from CABA Board Members







Now accepting membership applications.

Contact:

Diana Eberlein, Chair

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