

Will CBD Entirely Eclipse The Cannabis Market

Forbes [Sara Brittany Somerset](#) Contributor

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<https://www.forbes.com/sites/sarabrittany Somerset/2018/09/12/will-cbd-entirely-eclipse-the-cannabis-market/#2bc2c0447beb>



Will the scales tip in favor of hemp-derived CBD over marijuana?

The Brightfield Group is a subscriber-driven market research firm that published a 2018 market overview and analysis on hemp-derived CBD, today. Their view through rose-colored glasses reads like a marketing document outlining the best-case-scenario for CBD's future. Some key, regulatory factors appear to have been overlooked.

The Brightfield Group's analysis "lacks an accurate overview of the current and proposed legal landscape and fails to give an analysis of the real market factors in play, which calls into question the projected figures contained in it," according to Cristina Buccola, Esq., an attorney and business developer in the cannabis and hemp industry.

The summary of their analysis states, "Between 2017 and 2018, the U.S. hemp-derived CBD market has nearly doubled in size, but the five-year growth projections for this market are now dramatically higher than they were a year ago. This is because the full legalization of hemp-derived CBD is now a real and likely prospect following Republican Mitch McConnell's recent proposal of the Hemp Farming Act of 2018 (Farm Bill). This legislation – likely to pass later this year – would clearly and unambiguously legalize hemp as well as its derivatives, extracts and cannabinoids, including hemp CBD."

This projection is not necessarily accurate because it fails to recognize that if the Hemp Amendment passes, states are in no way obligated to create hemp programs. States can deny having an industrial hemp program entirely.

"Not every state is forced to have a hemp program, elucidates Buccola. "They are permitted to."

The report continues, that even if the Farm Bill is tied up in [a partisan battle over the Supplemental Nutrition Assistance Program \(SNAP\)](#), "The will for hemp legalization is unchanged and a similar Hemp Bill will be expected to pass after the 2018 elections. Previous market forecasts assumed the status quo would continue, and the hemp CBD grassroots movement would remain as such, with growth limited by a burdensome regulatory system and minimal retail and marketing channels. Instead, our forecasts now anticipate the bill passing and paving the way for major retail chains, manufacturers, and investors to enter the market and drive rapid growth."

Once again, this is slightly misleading because it doesn't take into account the recent agency decisions regarding hemp-derived CBD in California and [Ohio](#).

The California Department of Public Health's Food and Drug Branch's new guidelines state that even though California currently allows the manufacturing and sales of cannabis products, including edibles, ironically the use of industrial hemp-sourced CBD is prohibited as a food additive, ingredient or dietary supplement until the FDA determines as such.

While the report states, "CBD is also unburdened by much of the stigma and logistical challenges regularly associated with cannabis (i.e., companies are willing to ship hemp CBD over state lines; they can be on everyday store shelves without requiring a visit to a dispensary), making customer access more convenient and putting hemp CBD brands in the public eye," this is entirely untrue in Ohio. The Ohio Board of Pharmacy ruled effective September 8, that even hemp-CBD can only be legally sold in a licensed medical marijuana dispensary.

Aside from this conflicting information, the Brightfield Group should not be so dismissive of the SNAP debate, when [according to the USDA](#), one out of every eight Americans — about 45 million people — depend on it, stresses Buccola.

The report continues that in mid-2018, "legislation was proposed by Senate Majority Leader Mitch McConnell that would remove hemp – including hemp-derived CBD – from the Controlled Substances Act altogether. The decision was also likely influenced by the pending 2018 FDA decision on the use of Epidiolex (containing cannabis plant-derived CBD) to treat epilepsy. The FDA decision to sign off may prompt a rescheduling by the DEA in the coming months."

According to Attorney Buccola, this only recognizes a potential upside of Epidiolex's FDA approval; the Hemp Amendment explicitly states that it doesn't clip the wings of the FDA. There is still a possibility that the FDA starts to regulate hemp-derived CBD in a manner beyond its practice of sending warning letters to hemp-derived CBD retailers and consequently upends the market. The door is left open for the FDA to enforce the [Food, Drug and Cosmetics Act](#).

The Brightfield Group's research seems to appeal to what their subscribers want to hear by presenting the best case scenario forecasts for the hemp-derived CBD industry. Realistically, the euphemistic purview of a glass of water –containing water-soluble CBD– is half full to some and half empty to others.

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I am a United Nations-based reporter and photographer. My work has been syndicated globally in various media outlets from The New York Times to High Times. I was formerly U.N. Bureau Chief for the latter.