



PAUL COHEN'S *Marijuana Hub*

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COLORADO MARIJUANA STATISTICS - 2014

- ▶ Marijuana Business Daily is an excellent cannabis/marijuana news service. They recently published a piece on Colorado's 2014 the results. I recommend investors read this publication. We do.
- ▶ Our view is that so goes Colorado, so goes the marijuana industry. Recreational results were good. The news service reported that Colorado's tax revenues were less than expected; about 60 million through October 2014. We had estimated the state would collect about \$70 million. It appears that our estimate will be a bit short of actual results.
- ▶ The reason Colorado is so important is that federal national policy will be highly influenced by the state's actual results. Colorado is unique as is California. Both are different. Still, it appears to me that flexibility and plenty of room has been given to this state to spread its wings.
- ▶ The publication reported that Colorado's licensed recreational shops grew from 17 to 135 shops. We had expected about \$300 million in state sales. This number will slightly surpass \$300 million. Employment doubled; prices were level; medical patients grew exponentially. Sounds good. However.....
- ▶ While the state's performance across the board was impressive, there were no numbers reported from the black market. We question this: how many employees working for legitimate businesses leave work at the end of the day to fatten their pockets dealing in the black and illegal markets? How much product from legitimate licensed companies filters into the black market? I think the funnel is real and concerning.