

Leading CBD Brand Goes “Asset Light” with Vantage Hemp

Current Global Hemp Derived CBD Market:

- The Global CBD market was estimated at \$12.8B USD in 2021, with North America making up \$7.7B USD
- The market is expected to grow at a CAGR of 21.7% from 2022-2028, reaching \$56.2B USD in 2028
- CBD is federally legal in the United States and Canada, as well as approximately 50 more countries around the world
- Oils, Tinctures, Capsules, Creams, and Roll-ons will dominate the CBD Finished Goods market in 2028

Source: Global Market Insights - Cannabidiol Report GMI4541 - Apr 2022

Current CBD Manufacturing Environment:

- The CBD industry is fragmented with many small and large producers and a wide range of quality available
- Few companies are seriously focused on providing access to pharmaceutical grade products and finished goods
- Production of, and access to, CBD products is highly controlled in international markets
- Product must be consistently manufactured to global GMP standards to meet growing demand both for clinical studies and commercial supply

The Vantage AdVantage:

- With large-scale extraction facilities built and operated to WHO GMP, FDA 21 CFR 210/211, and ICH Q7 standards, Colorado-based Vantage Hemp delivers pharmaceutical-grade CBD Full Spectrum Oils, Distillates and Isolates that companies can trust
- Vantage's contract manufacturing services offer a broad range of benefits as they operate with integrity and abide by stringent pharmaceutical-production standards to provide quality products to Vantage's partners
- In April 2022, Vantage further solidified its position as an industry leader by announcing its submission of a Drug Master File (DMF) for its hemp-derived cannabidiol (CBD) distillate to the US Food & Drug Administration (FDA)



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Vantage Hemp is North America's only WHO GMP, FDA 21 CFR 210/211, and ICH Q7 certified hemp processor. From raw crude to registered pharmaceutical APIs and manufactured finished goods, trust the science at Vantage Hemp.

Introduction

From 2016 to 2021, our client was one of the leading vertically integrated CBD manufacturers in the United States. With properties in genetics and cultivation, extraction, refinement, finished goods manufacturing, brand management, and distribution, they expanded rapidly while gaining significant market share.

In 2021, as the price of biomass and raw extracts collapsed, many farmers abandoned the crop and many vertically integrated companies sought to divest themselves of their complex supply chains.

In moving to an **'asset light'** model, the company retained their unique brand IP, distribution channels, and custom product formulations, but needed to rebuild its hemp supply, CBD extraction, and product manufacturing supply chain.

As a mid-scale producer with international market access, the company faced challenges building a supplier list that could live up to its own standards - and those of the globally regulated CBD market.

As a "one stop shop" Vantage was able to provide a complete, internationally compliant, supply chain solution that allowed the company to liquidate its supply chain exposure while focusing on its core competency: Bringing CBD Brands to Market.

Going Asset Light: Replacing Your Supply Chain

Our client needed to replace every aspect of its supply chain from genetics and cultivation through CBD extraction and finished goods manufacturing. During its vertically integrated rapid growth phase, investing heavily in best-in-class standards from seed-to-sale allowed the company to build significant brand equity, customer loyalty, and global market access. Replacing each component of this supply chain to a similar standard was a daunting task for the management team.

The company needed to ensure that all biomass was collected to GACP standards by certified hemp farmers. They also needed certainty and predictability around the purity, consistency, and costs of CBD input materials. Finally, they needed a guarantee that their products would be manufactured to the highest global standards of cGMP (WHO GMP, FDA 21 CFR 210/211, and ICH Q7) - to ensure no disruption to the distribution of these products in highly regulated international markets.

After building a portfolio of potential suppliers at each stage of the supply chain from seedbanks to hemp farms, extraction providers, and contract manufacturing organizations, the company engaged with Vantage Hemp to understand Vantage's supply chain solutions.



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Engaging with Vantage

Rapid Engagement - Vantage Meets the Director of Quality

Vantage was introduced to the client through shared contacts in South America. In a rapid engagement, Vantage met with the company's newly hired Director of Quality Assurance onsite in Greeley to inspect the Falcon and Raven facilities and discuss the company's needs.

Recognizing that Vantage followed all best practices from GACP biomass collection from certified farmers to their cGMP CBD extraction and manufacturing, the Director was confident that Vantage could be her "one throat to choke" in supply chain assurance for the company's already successful brand.

The Vantage AdVantage – Go asset light. Let us do the heavy lifting.

After visiting the facilities and meeting with Vantage's Chief Operating Officer, Deepank Utkhede, and Director of Quality Assurance, Laura Eder, the company's Director of Quality was confident that Vantage could easily integrate and adopt their SOPs.

With her stamp of approval, and proof that Vantage could provide world class supply chain assurance while handling both large and small batches of formulated and finished goods, the company leadership chose to partner with Vantage.

The Results

Vantage has now provided multiple successful runs of the company's flagship products. The product remains compliant for international sale and the products are manufactured to the same standards, processes, and formulations from which they were originally derived.

Today the company drives profitability by focusing its resources on sales and marketing to grow its brand without the additional headaches of sourcing, extracting, manufacturing, and supply chain compliance.

The company replaced its supply chain without relying on expensive consultants. As a one-stop shop, Vantage eliminated the need for a wide variety of cultivation and farming advice, costly legal and regulatory guidance, and manufacturing outsourcing.

With scalable manufacturing capacity, multiple formats and formulations, and custom packaging and labeling solutions, Vantage accommodated the company with flexible MOQs matched to the company's plans for growth.

Vantage was able to adopt the company's high standards of quality assurance for all products. Going above and beyond for this company means Vantage obtains three separate certified lab results for each of its products - with Vantage adapting its SOPs to meet these quality goals while remaining cGMP (WHO GMP, FDA 21 CFR 210/211, and ICH Q7) compliant.

With Vantage's network of certified labs, Vantage manages the company's stability testing which accelerates access to international markets.



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Is the heavy lifting for your CBD brand causing inflammation?

Go 'asset light' with Vantage Hemp.

Let us manage your hemp sourcing, CBD extraction, finished goods manufacturing, and regulatory compliance to the highest global standards of WHO GMP, FDA 21 CFR 210/211, and ICH Q7 - so you can focus on delighting your customers and reaching new markets.



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