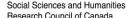
## Exploring Progressive Solutions: Innovating Within the Regional Cannabis Sector A 3-YEAR REGIONAL ECONOMIC DEVELOPMENT PROJECT

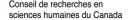
## PRIORITIZED PILOT PROJECTS, GOVERNANCE OPTIONS & ACTION PLAN CO-DEVELOPMENT

Prepared for licensed producers & processors Breakfast Meeting, June 25, 2025 Dr. Tracey Harvey, Selkirk Innovates













## Agenda

- Meeting Overview & Introductions
- May 30<sup>th</sup> reflections
- Prioritized Pilots & Feedback
- Governance Options Report Highlights

9:30 – 9:40 am 10 min break

- Exercise: Co-develop Action Plans
- Report Back (key themes)
- Wrap-up & Next Steps



## May 30<sup>th</sup> Breakfast meeting survey results

4.5 eaverage rating

What you told us (8 people responded):

## 00000

#### Best part?

- Getting people together in the same room united on a project is incredible
- Round table discussion, hearing everyone's point of view
- Getting everyone together in a room to build community, align on core issues and discuss our region's strategy as business owners

#### Anything missing?

- I'd like more time for the growers to have deeper discussions but overall, the time is managed well
- This was a very clearly presented meeting with rich informational sharing. Well organized and easy to participate in the discussion, thank you
- I think the Kootenay Quality Standard / Appellation / Formal Governance pilots are really all aspects of the same conversation and would require a meeting just on that single topic. It is something everyone wants but consensus might be tricky.



## **Prioritized Pilots**

- #1. "Voices of the Kootenays" Regional Cannabis Storytelling Campaign
- Tied for #1. Kootenay Quality Badge Certification
- #3. Team Kootenay International Trade Delegation
- #4. "Kootenay Grown" Digital Content Hub
- #5. Formalize Team Kooteany Governance and Funding Model Exploration



## "Voices of the Kootenays" Regional Cannabis Storytelling Campaign

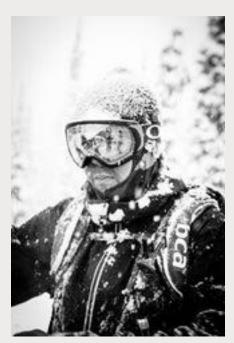


Image: Tyeson Carmody; Photo from Hightide Mfg website

#### **Purpose:**

Establish a regional identity for Kootenay cannabis through compelling storytelling. Includes video and written content celebrating the region's legacy, resilience, culture, community & values

#### **Deliverables:**

- •5-part docuseries + 2 introductory videos + written pieces (blog?)
- •Dissemination plan: roll-out via YouTube, Digital Hub, Instagram, LinkedIn and email campaigns.
- •Partner with influencers?
- •Host one live storytelling event (or film fest?)

Timeline: 12 – 18 months

**Shoestring Budget:** \$30,000–40,000 (simpler production, in-house/webbased) vs Ideal Budget: \$50,000–60,000 (higher-quality video production, editing, and outreach)

#### **Opportunities:**

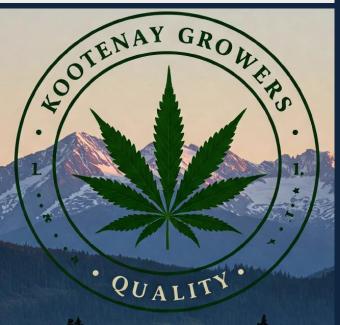
- Lots of existing content
- •Solid narrative inquiry component for research
- •Potential partners: Nelson Museum, Kootenay Coop Radio
- •Inclusive; educational; builds authentic connection & helps normalize cannabis tradition; complements many other pilots

#### **Challenges:**

•Working within federal promotional restrictions (keep educational tone)

# Kootenay Quality Badge (KQB) Certification

Concept image by Cactus Genetics



#### **Purpose:**

Create a regional quality assurance badge for Kootenay-grown cannabis, verifying artisanal production methods and unique regional qualities; Signals a commitment to high standards, consistency and trust to retailers and consumers.

#### **Deliverables:**

- •A grower defined standards document (input types, practices, growing space)
- •Official KQB label/logo for compliant producers; badge design + usage guidelines
- Pilot activation with 5 to 7 producers

Timeline: 12 months (Sept 2025 – Sept 2026)

**Shoestring Budget:** \$20,000–25,000 (DIY design + fewer producers in pilot) vs Ideal

Budget: \$40,000–60,000 (legal input, formal audits + more producers)

#### **Opportunities:**

- •Big advantage in the international market; enhances consumer trust + differentiates products; promotes storytelling and one day, a trail
- •Helps support government engagement efforts & can serve as a precursor to a regional appellation

#### **Challenges:**

- •Voluntary & lacks legal authority: difficult to enforce if not tied to legal designation
- •Requires industry-wide buy-in to have impact

## **Team Kootenay – International Trade Delegation**



#### **Purpose:**

Represent Kootenay producers at international trade shows, promoting unity, export opportunities, and networking

#### **Deliverables:**

- •Design + buy or rent a regionally branded trade booth
- •Shared regional booth at 2 major events (e.g., Spannabis, ICBC, Mary Jane)
- Export-focused media kit
- Co-branded swag?
- Follow-up networking webinar

**Timeline:** 9 months (September 2025 – June 2026)

**Shoestring Budget:** \$25,000–35,000 vs Ideal Budget: \$50,000–60,000 (professional branding, more shows +/or more growers)

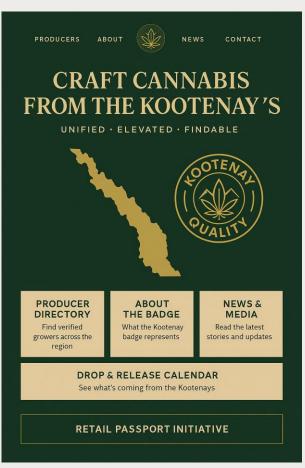
#### **Opportunities:**

- •Uses content from Storytelling Campaign in presentations
- •Aligns with Quality Badge & (one day) Export Readiness initiatives:
- •Global visibility, promotes future B2B partnerships; regional recognition
- •Low barrier entry into global markets, momentum builder for regional export strategy

#### **Challenges:**

- •High travel costs for participants
- Trade restrictions on international advertising
- •THC focused exports may disqualify potential funding

## "Kootenay Grown" Digital Hub



Concept image by Cactus Genetics

#### **Purpose:**

Create shared communication, website and digital infrastructure that supports all pilots — storytelling, badge, trade delegation, governance, and future initiatives

#### **Deliverables:**

- Discord or WhatsApp group
- •Robust website with built-in audience + interactive features + mobile responsiveness
- •Shared resource hub with export, retail, governance + regional identity materials

**Timeline:** Discord: now; Web hub: 3-12 months (starting Summer 2025)

**Shoestring Budget:** \$10,000 - \$12,000 (design, content, admin + maintenance) vs Ideal Budget: \$20,000–35,000 (expanded scope to support many overlapping projects)

#### **Opportunities:**

- •<u>Central to all pilots;</u> one-stop resource, enables collaboration
- Long-term legacy platform for region

#### **Challenges:**

•Requires active moderation and funding past pilot phase; maintenance + new materials

# Formalize Team Kootenay - Governance & Funding Model Exploration

Image: Craft Cannabis Association of BC (CCABC) – a province wide non-profit industry association



#### **Purpose:**

Explore and pilot a formal structure to carry regional efforts forward (e.g., nonprofit, co-op, alliance)

#### **Deliverables:**

- Options report (+ funding opportunities)
- Stakeholder session
- Draft bylaws and structure; Incorporation (optional)

**Timeline:** Research summer 2025 (2 months); Incorporation summer 2025 – Winter 2026 (9 months)

**Shoestring Budget:** \$8,000 vs Ideal Budget: \$12,000

#### **Opportunities:**

- This is where it starts
- Secures long-term capacity and funding
- •Provides backbone for Pilots 1–10; owns IP
- •Supports grant eligibility for wish-list initiatives
- •Potential local Partners: KAST (business incubator), Community Futures

#### **Challenges:**

•Need buy-in, ongoing admin costs & time – need a champion!

### Who Holds "Team Kootenay"?

Governance Options for a Shared Future

How should you organize yourselves to move forward together?

We're not choosing today — we're exploring what fits your values, capacity, and goals

#### **Today is about exploring**

What makes sense? What feels possible? What could grow with the industry over time?

#	Option	Purpose in 5 Words
1	Со-ор	Shared costs, democratic control
2	Nonprofit Society	Grants, mission first + inclusive
3	Benefit Company	Business mission + social good
4	Industry Association	Policy voice + peer support
5	Marketing Board	Promotion + consumer awareness
6	Umbrella Model	Flexible, lightweight collaboration

## **Governance Option 1: Co-operative Association**

A democratic business model owned and governed by its members to meet shared economic, social, or cultural needs

#### **Key Features:**

Member-owned (1 member = 1 vote)

Types: Consumer, Producer, Worker, Community Service Funding is typically through membership fees, services, and reinvested revenue Suitable for collective marketing, retail, and services





#### **Benefits:**

- Democratic governance model
- Shared ownership, infrastructure & resources

#### **Challenges:**

- Less access to grants than non-profits
- Public and member misunderstanding of co-op roles
- Requires high commitment and legal setup

Estimated Start-up Cost: ~\$3,300

**Annual Maintenance:** ~\$150–200 (plus volunteer/board labor)

**Examples:** 

BC Craft Farmers Co-op — Advocacy, networking, shared services Gabriola Ag Co-op — Markets, events, community food programming BC Eco Seed Co-op — Seed production, pooled resources, education



## **Option 2: BC Registered Society (Non-profit)**

A non-profit entity governed by the BC Societies Act. Cannot operate for profit but can pay staff and reinvest in its mission. Enables regional coordination and access to funding

#### **Key Features:**

Must have a defined non-profit purpose; cannot distribute profits to members Requires at least 3 directors (1 must reside in BC)
Requires constitution, bylaws, and annual reporting
No owners; governed by a member elected board



#### **Benefits:**

- Broad access to public + private grant funding
- Encourages inclusive stakeholder-driven collaboration
- Flexible in scope and project design

#### **Challenges:**

- Requires significant unpaid start-up and leadership time
- Funding may be competitive + cannabis stigma could limit eligibility
- · Ongoing administration and strategic planning required

Estimated Start-up Cost: \$630-\$3,330

Examples:

Craft Cannabis Association of BC → a nonprofit supporting small producers and rural economic diversification

Capital Region Food and Agriculture Initiatives Roundtable (CRFAIR) → Sector-building + incubation + collaboration

Cowichan Wineries Society → Place-branding + tourism + events



## **Option 3: BC Benefit Company**

A for-profit business in BC that commits to operating in a responsible, sustainable way with a legally declared public benefit

#### **Key Features**

Must identify one or more public benefits; operates with a social purpose embedded in its business model Must report annually on community contributions
Requires a minimum of 3 directors

#### **Benefits**

- Attracts investment more easily than a nonprofit
- Eligible for small business support programs
- Aligns profit with purpose, appealing to values-driven consumers

#### **Challenges**

- Higher administrative burden (reports, governance requirements)
- Limited access to nonprofit grants + funding
- Less collaborative than co-ops; no built-in stakeholder democracy

#### **Key Costs**

Name registration: \$30 Incorporation fee: \$350

#### **Examples**

**Buy Social** – Pop-up marketplace for social enterprise products.

**Budgie Box** – Gift boxes that reinvest profits into Vancouver's small businesses; highlights producer stories.



bc centre for social enterprise



## **Option 4: Industry Alliance/Association/Council**

An **Industry Alliance** (also called a sector council or trade association) is an organization representing sector-wide interests like advocacy, education, promotion, and coordination

#### **Key Features**

Often formed under the BC Societies Act (as a nonprofit)
Focuses on advocacy + collaboration; provides unified sector voice and collective identity
Often dues-funded; may not quality for all grants

#### **Benefits**

- Strong platform for industry-wide collaboration and innovation
- Supports sector-specific advocacy and policy influence
- Flexible structure can handle certifications or trade missions

#### **Challenges**

- Limited grant access; relies on dues, sponsorships + volunteerism
- Requires unpaid leadership commitment from within the industry
- Often: advocacy + market standards; less public storytelling

**Key Costs:** Similar to NPS (\$630 - \$3,300)

#### Examples

BC Cannabis Alliance (informal structure) – amplifying the voice of craft growers in policy + regulatory discussions

Wine Growers of BC – Marketing, tourism, and export promotion for 100% BC VQA grape wine

BC Fruit Growers Association – Advocating for orchardist economic sustainability, agricultural supports, and fair crop prices



## **Option 5: Regional Marketing Board**

A promotional (and often) nonprofit typically focused on a geographic area's products or tourism assets

#### **Key Features**

A nonprofit structure dedicated to regional marketing
May facilitate tourism and product awareness
May manage certification marks (e.g., a Kootenay Quality Badge + logos, etc)



#### **Benefits**

- Coordinates regional brand and identity
- Can be eligible for tourism or economic development grants
- Encourages cross-sector collaboration (e.g., tourism, small biz)

#### **Challenges**

- Requires unpaid leadership + administration
- Lacks formal authority (unlike statutory boards like dairy marketing)
- Typically don't provide governance solutions for entire sectors their focus is narrower

#### **Examples**

Bay of Quinte – Public-private DMO promoting tourism and local industries across several small towns (craft beer, golf, etc.)

Dairy Farmers of Canada – (Legislated) Uses branding (e.g., "blue label") to market and certify Canadian dairy

BC Apple Industry Marketing Plan – Engagement-based approach to revitalize a regional agri-brand



## **Option 6: Partnership/Umbrella Organization**

Involves collaborating with an existing nonprofit or agency whose goals align with those of the regional cannabis industry, allowing shared delivery of specific projects under their governance structure.

#### **Key Features**

Relies on formal agreement with host Avoids forming new legal entity

#### **Benefits**

- Low start-up cost and faster project timelines
- Access to established governance, admin + networks
- Increases collaborative capacity and innovative opportunities

#### Challenges

- Reduced autonomy over decisions and implementation
- Relies on trust in partner organization
- Dependent on partner organization's priorities + staffing

#### **Key Costs**

Minimal (mostly related to networking, planning, or shared project costs)

#### **Examples**

Craft Cannabis Association of BC & Cowichan Business Industry — Co-developing a cannabis trail

Citizen-led Economic Development Study — Community groups lead rural initiatives with support from nonprofit sponsors



## **How to Decide?**

Consider what **matters most** to you; dimensions to ponder:

Dimension	Why it Matters
Control & Governance	Do producers want direct say (e.g., co-op) or are they okay delegating to a membership elected board (e.g., non-profit)?
Access to Funding	Do producers want to pursue grants, generate revenue, or rely on member dues?
Risk Tolerance & Legal Complexity	How much time, admin, and legal complexity are producers willing to take on?
Revenue Generation & Distribution	Do producers want the ability to pay dividends/share profits (e.g., co-op, benefit corp)?
Branding & Market Coordination	Are producers primarily aiming for regional storytelling, quality assurance, export, tourism?
Stakeholder Inclusion	Should the model include just producers/processors, or also retailers, consumers, or institutions?



### **Use-Case Scenarios**

Some scenarios to help you imagine which model fits best:

Scenario A: We need grants and community legitimacy to build sector support

→Best fit: Nonprofit Society

Scenario B: We want shared branding + collective bargaining power

→ Best fit: Marketing Board, Co-op, or NPS with the right bylaws

Scenario C: We want flexibility and minimal overhead while we build trust

→ Best fit: Umbrella or Hybrid

Scenario D: We want to run a business-like operation and share profits

→ Best fit: Co-op or Benefit Company

Scenario E: Our industry has no free time and volunteerism is difficult

→ Best fit: Umbrella Organization or Benefit Company (with paid staff)

Scenario F: We want to include all stakeholders—not just producers and processors, but also retailers and ancillary businesses

→ Best fit: Industry Association or Nonprofit Society (with broad membership design)



9:30 to 9:40

## 10 Minute Break



## Workshop: Action Plan Development

- 5 tables, one for each pilot. Visit all tables, if possible. Rotate as you wish.
- Each station includes:
  - A poster or worksheet with pre-filled scaffolding
  - A facilitator asking:
    - o What seems useful/promising or off track?
    - What could you contribute or what would you need to see for this to work for you?
    - o Who should lead / be involved? + Do you want to be involved?
    - What should happen first?
    - o What's the biggest risk?
    - o How can we tell if it's working? What does success look like?
- Feedback: participants have colored markers for quick visual prioritization or agreement points (e.g., green = I support, orange = maybe/I need more info, red/pink = I have a concern)



## Debrief

- Facilitator from each table group reports key feedback (1-2 themes)
- Summary of cross-cutting insights or tensions
- What are your top 1-2 priorities?
- What working groups are you willing to participate on?



## **Next Steps**

#### 1. Finalize Action Plans

Incorporate today's feedback into the 5 pilot project plans

#### 2. Develop Workplans

Define tasks, timelines, and people needed to move each pilot forward

#### 3. Engage Government Partners

Share our plans that may align on funding, policy, and support

#### 4. Support Sector Participation

- Request you review the Governance Options Report
  - Take a short survey
- Request you join pilot working groups

#### 5. Prioritize and Launch Key Pilots

Begin execution of 2-3 highest-impact projects with strong support

