



# 'We want to be the champagne of the weed'

## Cannabis

No self-rolled joints or weed bags anymore. In the US, a market for luxury cannabis cigarettes is created in chic storage boxes

Hans Klis | August 2, 2017

"Oprah Winfrey has not given me my blessing for my new business yet," laughs American entrepreneur Ed Kilduff. By the end of 2010, the good-looking presenter is Prepara Herb Savor, a cross between tupperware and a plant pot that keeps herbs like basil three times longer [as one of her favorite products of the year](#) . And everybody in the exuberantly cheering audience of course got home.

With Pollen Gear, Kilduff goes seven years later in a completely different market: the cannabis industry. He still loves to keep the freshness of herbs, he jokes. The serial entrepreneur and designer of air-tight packaging manufactures and sells luxury air-tight glass containers, plastic cases and boxes to pharmacies for storing weeds. All with childproof closures.

Pollen Gear is one of the young companies that try it higher segment of the blooming cannabis industry in the United States. American consultancy Cowen and Company estimates that the current size of the \$ 5 billion legal drug cannabis industry (medical and recreational) in 2026 will grow to \$ 50 billion. Since Colorado in 2014 as the first state in America, recreational use legalized, seven

states and the city of Washington DC followed. Medicinal use is permitted in 29 states and the US capital. According to [The Brookings Institution](#) , about 200 million Americans have legal access to marijuana and about one in five Americans live in a state where medical use is legal.

## Storage container

Kilduff discovered a gap in the market three years ago when he asked the buyers of his airtight food container for which they used the product. "In the top three there was coffee, then tea and weed. This was around the time Colorado legalized recreational use. I immediately approached a distributor. In the meantime, we sell storage containers at more than a thousand locations in the state.

"Companies like Pollen Gear, but also Kush competitor, make retailers no longer present their weeds in the same boring bags to the customer. Kilduff: "At last there is a package that distinguishes between the low quality layer in the lower shelf and premium products from the top shelf."

Punit Seth, co-founder and topman of Toast, compares the emerging cannabis industry with economic activities just after American Prohibition (1920-1933). His company sells luxury pre-rolled cannabis cigarettes in chic design boxes to over 100 weed stores in Colorado. In September, he hopes the expansion to legal states of Nevada and California will be around. "Due to the legalization of weed in states, there is a huge focus on boosting production and distribution. But there is little attention to the consumer experience. We want to be the champagne of the weed. "

According to Seth, the emphasis is still on it as soon as possible *high* are strongest possible products. "Toast offers consumers a lifestyle. A piece of our cigarette must be similar to a cocktail cocktail. "With class high.

Toast is therefore committed to selling a lifestyle with the luxury of its product. In a black cardboard box there are ten cigarettes - either 'slices'. It radiates the art

deco from the *roaring twenties* out. The striking cigarettes with purple filters bear the name Toast and a butterfly in golden print. "Toast is about social but also responsible consumption," says Seth. "You keep control." In Toast's cannabis cigarettes, the concentration of the psychoactive ingredient tetrahydrocannabinol (THC) - which causes the high-feeling low and cannabidiol concentration (CBD) to be high-calming. Toast provides consumers with an extensive manual on the Responsible Use website: among other things, do not smoke in alcohol use and wait twenty minutes for the effect. According to Seth, his target group consists mainly of curious new users, or *stoners* who want to smoke but still want to "function".

## Milk cow

The normalization of weed use in the United States does not seem to reverse. Despite the fact that Justice Minister Jeff Sessions wants to ban recreational and medicinal use at state level. At federal level it is still illegal. "That will not happen," says Kilduff confidently. "It is spending too much money." In July, Colorado achieved a historic milestone: over the last three years, US State Treasury accounts reported a half billion dollars in cannabis sales tax. As of January 1, 2018, the legalization of recreational weed use in California will take effect. According to the *LA Times newspaper*, a potential \$ 7 billion market, where local and state governments will charge \$ 1 billion in taxes every year.

Despite growth and increasing openness, entrepreneurs like Kilduff are careful. Products of Pollen Gear are made in China and the containers do not contain weed leaves or other drug symbols. "Customs takes all drugs related. We do not take this risk by shouting the roofs that these containers are for marijuana." And in Pollen Gear's advertisements, it focuses on the child's safety of the product: in the videos, toddlers struggle to open the candy-filled pots.

*Correction: In an earlier version of the text: "According to think tank The Brookings Institution has now one in five Americans legal access to marijuana, about 200 million*

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*citizens." Indeed, there are 200 million citizens, and about one in five Americans live in a state where medical use is legal.*