LDS Aims to Start California Production in October - CFN Media

CFN Media Group ("CannabisFN"), the leading creative agency and digital media network dedicated to legal cannabis, announces the publication of an article covering Lifestyle Delivery Systems Inc. (CSE: LDS) (CNSX: LDS) (LDS.CN) (OTCQB: LDSYF). The company plans to begin production operations in October in the city of Adelanto, California after an extended and thorough permitting process.

The Canadian cannabis industry may be very straightforward when it comes to licensing, but the nascent U.S. market is a bit more complicated. With recreational legalization coming to California next year, the state and various municipalities have been adjusting their rules and regulations to ensure that the products are safe and effective for consumers.

Adelanto Does It Right

Adelanto was originally destined to be a typical planned community in Southern California, but the closure of the George Air Force Base in 1992 spelled the beginning of the end for the small town. Today, about 40% of the 33,000 residents of the city live below the poverty line and a forprofit prison system is the only major source of income. When Mayor Rich Kerr was elected in late-2014, the city was about \$2.6 million in debt and on the verge of collapse.

The city has since become one of the only California municipalities to permit medical marijuana growing on an industrial scale and its fortunes have turned around. Plots that had previously sold for less than a quarter million dollars became worth several million dollars, home values have skyrocketed, and construction has been booming. The city has also closed its budget deficit and anticipates being in the black by the end of the year.

Arcview Market Research projects that the \$6.7 billion U.S. cannabis industry will triple in size by 2021 thanks to medical and recreational legalization in California, Nevada, and other states. These tremendous growth rates could spell opportunity for Adelanto and other small towns that have struggled to cope with the changing economy over the years. If the federal government takes any action, these growth rates could dramatically accelerate as well.

Cannabis extracts could see the greatest revenue and profitability compared to marijuana flower products. Fully-integrated businesses that grow and process cannabis flower into cannabis oils, edibles, and other products could experience the greatest growth rates of all and become the best opportunities for investment in the space. After all, early research suggests that cannabis oils and edibles are accepted by a much larger percentage of the population.

Overcoming Regulatory Hurdles

Lifestyle Delivery Systems Inc. signed a definitive Management Agreement in early 2017 with a licensed entity to manufacture and commercialize its CannaStrip technology. Under the agreement, the company committed to redesign and retrofit a 20,000 square foot facility in the

City of Adelanto and provide nursery, cultivation, extraction, distillation, strip coating, and packing equipment to the joint venture.

On September 14, 2017, the inspection approval of the facility by the fire department of San Bernardino County was submitted to the City of Adelanto as the final requirement in the Certificate of Occupancy process. On September 18, 2017, Richard Kerr, the Mayor of Adelanto, handed the principals of the joint venture the official Certificate of Occupancy.

While the process has taken longer than anticipated, the City of Adelanto has been dedicated to adjusting its regulations to mirror those of the state to remain in compliance prior to the legalization of adult use marijuana. Adhering to all state laws will ensure that Lifestyle Delivery Systems has a smoother integration into the realm of legalization compared to those companies that have not paid such close attention to compliance with the changing regulations.

The company's CannaStrips are cannabinoid-infused breath strips that offer a safer, healthier option to smoking and present a new way to accurately meter the dosage of cannabinoids and ensure the purity of the product. From seed to sale, the company's products and ingredients will be tested for quality and composition to create a delivery system that is safe, consistent, and effective at delivering cannabinoids for medical and recreational users.

Please follow the link to see the interview and read the full article:

http://www.cannabisfn.com/lds-aims-start-california-production-october/

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