

BE EVEN MORE CAREFUL WHO YOU LISTEN TO

We previously published a document to correct mis-statements that were being made to market participants by, so-called, experts in the industry. Almost a month on from the FSA's announcement concerning Novel Foods we continue to read the same mis-statements published by those same, so-called, experts.

While it may not yet be obvious or apparent to all, at ***The Canna Consultants*** we are acutely aware that those mis-statements are having an incredibly damaging effect on the economic and commercial futures of individuals and companies presently in the marketplace, because they are now preceded or followed by statements from ingredient manufacturers and White Label suppliers – a cynic might even believe that there is a duality of approach between the, so called, independent experts and leading and/or active market participants?

I BUY FROM A CANNABINOID MANUFACTURER, WILL I HAVE TO MAKE AN APPLICATION?

We are now aware of White Label suppliers and/or ingredient manufacturers, along with their trade associations and legal advisors, informing purchasers of those products and/or ingredients that they (the Brand) will not need to seek Novel Food Authorisation. Statement such as this have the potential to be very misleading and very economically damaging to the Brand, solely to the supplier's benefit.

If the product which the Brand sells is a "pure" White Label product, by which we mean that the Brand does nothing to the product that it purchases, simply labels it and places the product for sale, then it is ***probably*** the case that the Brand will not need to make an application (assuming that the supplier is able to pass the Validation process), other than registering the name of the product with the UK FSA as being unchanged from the product which has the benefit of the UK FSA's marketing exemption granted to the White Label producer (and later the Novel Food Authorisation, assuming that the application successfully proceeds through the Risk Assessment phase and is added to the Union List/UK List).

However, where the Brand:

- ***purchases base ingredients and manufactures the end-product*** itself, or sub-contracts the manufacture of their product to a third-party; or,
- ***adds ingredients to the White Label base product***; or,
- ***does anything else to the White Label base product which changes it***,

then it will be a different product than that for which the White Label supplier has achieved authorization and the Brand will need to submit a Novel Food application for their product.

This does not necessarily mean that the Brand will be required to undertake ***all*** of the scientific testing which has been undertaken by their White Label and/or ingredient supplier, but the Brand will need to provide their supplier's data with their own application (assuming that their supplier is willing to permit them access to and use of the proprietary data), ***plus*** the Brand's own data in respect of the product that they themselves have created.

We believe it highly unlikely that bulk manufacturers of cannabinoids and/or cannabinoid ingredients will be willing to submit applications which cover the products of their supply-chain clients where the Brands change the constituent elements of the base product and/or ingredient in order to create a bespoke product.

At ***The Canna Consultants*** we believe that it is more likely that:

- White Label providers will permit their customers to utilize the non-intellectually protected datasets which they have themselves submitted, but that the customer Brands which amend the chemical composition of the base product will be expected to make their own application for Novel Food Authorisation; and,
- Active ingredient providers will permit their customers to utilize the non-intellectually protected datasets which they have themselves submitted, but that the customer Brands which use those active ingredient (in conjunction with any other ingredients), will have to make their own application for Novel Food Authorisation.

We come to this conclusion because with responsibility comes liability and (whatever they tell you now in order to secure your trade), we do not believe that White Label providers and/or ingredient manufacturers will assume the consequent commercial exposure to their customers, who would potentially number in the hundreds.

We refer you back to our previous document "***Be Careful Who You Listen To***" [here](#), which may debunk some of the other misleading statements that are provided to market participants.

IF YOU WANT TO ENSURE THAT YOU ARE PERMITTED TO CONTINUE TO MARKET YOUR PRODUCT IN THE UK (AND, IN THE LONGER TERM, IN EUROPE) HOW DO YOU PROCEED?

We suggest that you do as much research as you are able, and make informed assessments as to:

- What you are informed;
- By whom you are informed;
- The position within the market of the information provider;
- The ***credibility*** of the information provider; and,
- The ***impartiality*** of the information provider.

When you conclude that ***you*** need to control ***your*** Brand's destiny and you want to explore more, then contact those who know what it takes to make an Application, and have the resources and relationships to make ***your*** Application the best that it can be, so that you can gain market and Brand advantage, contact ***The Canna Consultants***.