

A blueprint for FMCG CBD?

A new line of sparkling CBD drinks is to be launched in the Colorado market in what may be an indication of how high-profile companies approach the CBD market during its continued period of uncertainty.

Ocean Spray's Lighthouse innovation incubator in Boston, Massachusetts – created by the farmer-owned cooperative last year to accelerate wellness-focused innovation – developed the CarryOn brand of CBD beverages with input from Mile High Labs, a hemp processor and supplier of cannabinoid ingredients.

Ocean Spray worked with Mile High to source CBD directly from its facility in Broomfield, Colorado and develop the drink, which was then produced by a third-party manufacturer. The two companies worked closely enough together on the project that Ocean Spray trusted Mile High to oversee the initial product run with only remote virtual input from the CarryOn team due to the COVID-19 shutdown.

“This is a demonstration of the trust that we’ve built between our companies, as well as the technical expertise that Mile High has on staff,” said Dan Lane, customer development executive

for Mile High Labs. “Together, we were able to ensure an on-time product launch even in the face of a historically disruptive event.”

The product will initially be available exclusively in Colorado, where the production of food products containing CBD is permitted – despite it technically not being allowed at the US federal level because of the US Food and Drug Administration (FDA)’s interpretation of current law.

The FDA has effectively said it was too late to halt the CBD food market and that it would concentrate efforts on policing improper medical claims while it worked towards creating a legal path to market for CBD products.

Meanwhile Ocean Spray’s model could be the blueprint for further forays into the CBD market by major fast moving consumer goods (FMCG) brands.

So far, there have been a number of limited CBD beverage launches in the US, including one endorsed by American football legend Joe Montana, though none is thought to have reached distribution to all states where the sale of CBD in food and beverages is permitted.

Other US states where CBD is a legal food ingredient are Virginia, Florida and Maine.

About CBD-Intel

CBD-Intel provides impartial, independent and premium market and regulatory analysis, legal tracking, and quantitative data for the cannabidiol (CBD) sector.

We offer a one-stop source of market and regulatory strategic data for the CBD industry. Providing all the data in one online platform reduces the amount of time and money spent monitoring the sector for multiple international markets.

Our global perspective on the international CBD sector offers you key data such as market

trends, key players, regulatory obligations and industry dynamics.

CBD-Intel’s team is made up of lawyers, economists and journalists. The team is based in London, Barcelona and New York, and enhanced by correspondents and contributors from around the world.

We also offer customised research and consultancy support, and we publish ECigIntelligence and TobaccoIntelligence for the vapour and tobacco-alternatives sectors.