

Speaker 1 ([00:00](#)):

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Speaker 2 ([00:21](#)):

Hello and welcome to the higher enlightenment podcast brought to you by higher yields cannabis consulting, your seed to scale cannabis business solutions team, and the creators of innovative cannabis consulting business solutions system higher enlightenment. My name is Adam and I am part of the creative design team here at higher yields. And I'm here to introduce and give a little background on the higher enlightenment podcast. So what are these podcasts about? The higher enlightenment podcast was created to discuss everything cannabis, whether it be cannabis, industry news, cannabis, industry, insider insights, advice, and tips to establish your own successful cannabis business cannabis pop culture. In general, we'll also be discussing cannabis news from around the globe. A new episode of the higher enlightenment podcast will be released every two weeks. Today we have episode three, an introduction to cannabis security with Derek Porter security expert. Derek is a partner at cannabis security experts and will share his vast knowledge at cannabis security. So let's get enlightened with Derek Porter.

Speaker 1 ([01:44](#)):

We appreciate your choosing our theater and to make this experience more enjoyable for everyone. We hope you'll refrain from talking during the show. Thank you. So Tara, can you introduce

Speaker 2 ([01:57](#)):

Yourself for our audience and tell us what you do for the industry?

Speaker 3 ([02:02](#)):

You bet, uh, first off, thanks so much Adam, and to higher yields consulting for him and me. Uh, Derek Porter. I have a gosh entering 20 years now in security, nine of those years specific for cannabis. Um, and I am the managing partner for a conglomerate called cannabis security experts, uh, which is the major consulting arm, uh, for cannabis security consulting. I'll keep it short and sweet from there because typically I go on and on and on with the intros. So how did you get into this

Speaker 1 ([02:37](#)):

Industry?

Speaker 3 ([02:39](#)):

Good question. So, uh, initially in 2012, uh, didn't necessarily have a desire to dive into cannabis per se. Uh, but I was getting my feet more wet with just security consulting and I had a cohort two had a cannabis client in Boulder, Colorado, uh, and it was something that, something specific that they had requested that I actually had some formal education on a risk and vulnerability assessment, which any cannabis clientele most actually don't know what that is, nor understand the value of it. And, uh, he, uh, he needed the extra help and he asked if I would quarterback it and do you know, the lion's share of the work. And I said, certainly, and it was a fun experience and, you know, it was, it was good pain, very fair paying. Um, and, uh, I saw new networking opportunities, but also the main premise of why I decided to

really immerse myself and expand the network and get licensed in different areas that would be helpful for cannabis was I actually had no idea when I met this client, that there were all these strict regulations behind the legal cannabis industry, uh, specific with security as well.

Speaker 3 ([03:58](#)):

Uh, and I said, really, they, they have to have talking to my, my buddy at the time before I was introduced to the client. And, uh, I was like, they have to have security. And he said, yes, they have to have X amount of security, whether it's electronics or, you know, they have to know that or they have to have guards or whatnot. So on and so forth, it varies all over the place I said, is that right? Uh, so they have to pay for, they have to opt into it. Uh, that, that was, to me, it was a huge business opportunity. That's what really motivated me to want to get into it.

Speaker 4 ([04:30](#)):

Okay. So if I'm new to the industry and I want to open a dispensary, what should I know right out of the gate?

Speaker 3 ([04:39](#)):

Oh, goodness. Overall, uh, well, uh, clearly many, many, many things. And then, uh, from a security standpoint, um, some of the best recommendations I give to, you know, the newbies that are getting in is stick to fundamentals. Uh, and I think you could say that across the board with business and cannabis really, but, uh, security, especially they think about, they think about specific technology or specific brands or whatnot. And I tell them stick to the fundamentals of, you know, a regimen, uh, you know, lighting, signage locks, civil things, before we get into whether you want to have armed or unarmed guards, whether you want to have BOSH or Samsung cameras, you know, whether you want to have a sign this big or this big, et cetera, et cetera, and, and what you want to pay for different services. Uh, I tell them to think of the bare fundamentals first, look at the regulations first, and let's get you to a level of compliance. And if you want to go proactive beyond that, then we can have those discussions.

Speaker 4 ([05:48](#)):

What do you think is the major security threat to a cannabis operation?

Speaker 3 ([05:55](#)):

Um, quite frankly, it's, uh, that's a good, that's a good question, but it's, it's a, it's a complex answer and I'll give you the simple short version here. Um, there's product and there's people. And I always tell all clients ubiquitously, uh, we protect people and people first and assets second, but the two tie together because at the end of the day, the assets being, whether it's, you know, your hamper, your cannabis, whatnot, um, and then, and then equipment and so forth after that, um, those are the heavy assets, uh, obviously with cannabis there's excellent street value there. And that's ultimately the goal is criminal elements. I'll say want to get to that first, but they have to get through people first to get to that, whether it's security, whether it's, uh, your, you know, your bud tenders, your supervisors, whatever. So people get in a way, and then they're in danger, okay.

Speaker 3 ([06:50](#)):

Before they can actually get to the assets. Uh, so it's really a twofold scenario. It starts with the root being the asset, uh, with criminal elements wanting to get to that. Uh, but then people get in the way. So the biggest threat is always the people danger, of course. Uh, but it's because of what's behind the

people and that's the product or the assets, um, that people want to get to. So that's, I would say that's the main danger, I would say the second biggest danger quite frankly, is the riff-raff in, from a business standpoint. Uh, that's in cannabis, but that's a whole nother podcast, right? That's a whole another discussion.

Speaker 5 ([07:28](#)):

How much of a concern is, uh, people inside the business, um, like employees stealing or is that a big concern or

Speaker 3 ([07:38](#)):

Indeed it is. Yes. It's often overlooked too. And in fact that that same first client that I just mentioned, they actually had some internal shrinkage problems. Um, and it's not just a concern with any, you know, retail operation. And then of course the cultivation sites, the grows it's, it's absolutely a concern, but it's a different level of concern because there's usually not violence. They're, you know, skimming products, giving tills, not necessarily violence of action, where you have a smash and grab or people coming in with guns, it's a lot different there and it's usually slow. Um, and, and negligible to where the owners don't realize it, or it's so little that they almost put it on the back burner or don't want to do anything about it. Um, and then oftentimes, and this is especially true in cannabis is I feel like the dynamics with the owners slash supervisors are tightly connected with employees. I've actually had, uh, owners tell me that, you know, their, their employees are their family. And in some cases they were their literal family, which I understand, and I respect that and that's very admirable, but even sometimes family can harm us. So it's, that's a, that's a great question. Yeah. The internal challenges, um, are absolutely very present. Do you

Speaker 4 ([08:56](#)):

Offer training or orientation for newcomers?

Speaker 3 ([09:00](#)):

We a long time ago before I exited my first security company, we actually did offer some webinar-based. Um, do you want to call it training or, you know, introductions and to, you know, ABC, and then we get into fundamentals. Um, one, we couldn't get clients to get there. So, you know, it's like wrangling cats, quite frankly, couldn't get clients' story. And with their schedules, that's a problem across the board with anything, everything, uh, or they didn't understand the value behind it. Initially, it's hard to understand the value behind anything like that when you don't even understand the roots of the problems. Uh, so really the, the true answer is from a consulting standpoint, uh, we will absolutely do some handholding and discuss those areas, but it has to be more of this comprehensive consultation as opposed to introductory training.

Speaker 4 ([09:50](#)):

So what do you think is the biggest challenge when it comes to cannabis business security?

Speaker 3 ([09:58](#)):

Uh, honestly, um, it's, it's riff Raff and other bad vendors. Um, I, you know, I like to use metaphors and analogies all the time. And, uh, I used to think when I was much younger, I used to think that a doctor was a doctor, was a doctor, was a doctor and a lawyer was a lawyer, was a lawyer like, you know, they had to pass a test. Right. And they had to get credentialed and whatnot. Um, so I used to think they're

all very much the same. And then, you know, through the years you learn that you really get what you pay for, and then there's, you know, quality of consultation, advice, expert skillsets on and so forth. Um, and it's, I'd say the biggest challenge is getting the client, uh, clients to really wake up and understand and notice that, um, there are certain cost-effective, uh, service providers out there, vendors and so forth where you can do things, get things done, cheaply. I hate to say cheaply. I like to say cost-effective, but you know, get things done cheaply. Um, and, and those are work, but then there's a lot of areas where, uh, you know, vendors will try to take the client to the cleaners and that's where the distrust gets built up. And, uh, there's just a lot of, uh, Cowboys out there. I would say, honestly, that's like the, really the biggest threat.

Speaker 4 ([11:22](#)):

How can I best protect my cannabis business from criminal opportunists?

Speaker 3 ([11:27](#)):

Find a, again, you don't, you know, you don't necessarily need a consultant. That's a great star. And oftentimes it can save you tons and tons of money. And then you shouldn't skip a beat with all the boxes you need to check with regards to security. Um, but I would say first is sticking to basic fundamentals. Uh, just as I had mentioned previously, uh, don't think, you know, what brand or what company you necessarily want to go with first, that's more like step 10 or 12 steps. One and two are, well, what do we really need? And then you can get into what you want in the proactive areas. Very simple things. You know, people were look, you know, very basics, uh, areas like, like fortification of their grow or their dispensary, like good locks and, uh, you know, proper doors and just looking for areas of weakness for their building, as opposed to, well, how much do we want to pay for our, for the armed guards? Well, that's, that's actually a further set down. Uh, you may not for your grow operation. That's completely locked up and well, four, five at night. There's no one there. You may not need guards. I may not need guards at all, but you will need locks and proper doors and good, you know, a good fortified structure. So basic fundamentals really. And then you expand out from there.

Speaker 5 ([12:50](#)):

Yeah. Leads me into my next question. Uh, what tools do you offer besides a guy with a gun?

Speaker 3 ([12:56](#)):

Good. Yeah, absolutely good question. So we were very comprehensive, uh, whatever the client will need, if we don't offer it, like we used to offer transport services, we don't offer transport services at all anymore, but we have partners all over the United States and even some, and in various other countries, uh, that will offer those services. Um, so whatever you need, if we can't provide it, we'll get you to the right person. We have two other sister companies think smart security, which is a systems integrator. That's your cameras, your alarms, your access control. We have a resolution security, which is your remote video surveillance, uh, that think of like your remote guarding. That's, that's really what that service is. Um, and then of course we don't do Doris anymore. I, I had a guard company that I exited, uh, but we have partners all over the nation. So we'll get the client to the right person. Uh, we will wrangle with them with the quote to make sure that the quote is cost-effective, they're not being the clients not being right to the coals. Uh, so again, that, that handholding process with good consultation where the client is able to check all the boxes with all of the services that are needed, but also do it very, very cost-effectively.

Speaker 5 ([14:12](#)):

Is there an advantage to remote guarding system over a onsite physical guard?

Speaker 3 ([14:17](#)):

Yeah, I knew that question was coming. Uh, so yes, absolutely. Uh, first and foremost, let's talk about the biggest advantage. It really depends on it. And an assessment sometimes guards are absolutely necessary. Sometimes they are absolutely not necessary. Sometimes guards and remote video surveillance are both very necessary and they actually compliment each other very, very well. But then there's a cost factor at the end of the day. It's always about what does it cost? Well, fortunately in the cannabis industry, we have the same called two 80 E which I'm we'll expand on momentarily or, um, and remote video surveillance is at a percentage or 100%, a variable percentage or 100%, a, a two 80 E complete write-off because it's a form of inventory control. Uh, the IRS will not allow that for things like with guards, but they will allow it with surveillance and surveillance programs. Uh, even really expensive ones are a, a write off. And you, you could argue that very aggressively. I will say this resolution of security, 100% of our clients either write it off partially or entirely. Uh, so there's some, some major advantages there.

Speaker 6 ([15:34](#)):

So what kind of security equipment do you recommend for a cannabis business?

Speaker 3 ([15:40](#)):

Yeah. Yes. So back to the basic fundamentals, right? I'm glad that you asked that because that's a common question, not unlike another very common question as to how much a security system costs. Well, there's so many variables with that, and I'd rather the client not worry about something like that, right out of the gate we're going to use, or I'm going to recommend what makes the most sense from a budgetary standpoint, from a security and risk standpoint, comprehensively again, with good consultation there. Uh, so, you know, I, I, and I won't bash these brands. There are a small handful of manufacturers that I recommend clients do not use, but if they get married to a particular brand and as long as it's not on my hot list of brands not to use, uh, within we'll make that work, if that, if that's something they have experience with, um, you know, they will say like, they want to use Bosch or, or Samsung or whatever. Okay. We'll, we'll make that work. We can, we can quote for that.

Speaker 6 ([16:46](#)):

Okay. So how varied are the security requirements from state to state and what States do you think do a good job and which ones don't,

Speaker 3 ([16:57](#)):

I'm sure. Yeah. They're, they're highly variable. Um, and I wouldn't say it's a matter of which say does a good job versus ones that don't, I would say the States to do a good job or ones that don't make it unrealistically difficult. Um, let's say, uh, so we're, we're, you know, higher yields consulting and myself and my, my other cohorts, my other consultants we've been dealing with Illinois. Right. Um, because they were, it looks like it was just extended, but today was actually supposed to March 16th was supposed to be the day that, uh, they closed up shop. It allowed for applications for gross. Uh, Illinois is challenging, but not terribly unrealistic. Um, oftentimes the, the, the variable attributes of abuse are usually just the realistic timelines of getting applications in, but from a security standpoint and regulations, um, oftentimes I like to use Pennsylvania and Canada as good examples.

Speaker 3 ([17:55](#)):

Um, the regulations are abnormally strict, I think, because of trying to make it super competitive to get your license, because additionally, round one with Pennsylvania, a few years back, they only allow for licensed this, but with that comes immense competition. So the regulations were super strict. It was very expensive. But, you know, when you started getting into things like this is just one direct example, but there, there are many when you serve, when a say requests two years of offsite, video backup, um, at, you know, a high megapixel rate and 10 frames per second, we had to build a server out on paper. We had to build a couple of servers out, uh, for, for potential clients on, on paper, right? When they were going through the West procurement stage. And just one of those servers, again, trying to keep a cost-effective one of those servers with the number of cameras, they had the size of their operation.

Speaker 3 ([18:51](#)):

And because of the regulations, one of those servers was \$63,000. It had memory in the pay bytes, uh, so unfair, unrealistic, not unrealistic, and it can be achieved, but very unfair to the client, very expensive, very challenging. Um, you know, and then sometimes it's County to County, city by city. I mean, Los Angeles, you have to have guards, uh, Illinois back to Illinois when people procure the license for dispensary, you have to have guards during business hours. In some places that's just not necessary, especially rural areas of Illinois. It's just, it's just not necessary. And it's a huge expense to have guards, period, no matter how you slice it, I don't care if you do it proprietary or you contract that out. So highly variable all over the place, state by state, sometimes County by County, sometimes city by city.

Speaker 4 ([19:48](#)):

So if, and when cannabis becomes federally legal, uh, how do you see things changing from a security aspect? I think it will be,

Speaker 3 ([19:58](#)):

You know, initially like when, uh, you know, like when Colorado, which is where we're, where we're based is, uh, we have one, everything went rec in the beginning of 2014, right? The flood Gates opened and there was a rush and we got a flood. It always comes in waves for us with regards to the frequency of business, not unlike with consultation, with higher yields. Um, and with that, uh, when, when those waves, when they hammer and they, and they hit really hard, uh, what really comes into play is, uh, timeframes. Um, it's, it's a, that's a, it's a loaded, that's a loaded variable question starting to get too specific is a little bit challenging.

Speaker 4 ([20:41](#)):

So if banks could be used, would that make employees and citizens safer? Uh, could you

Speaker 3 ([20:48](#)):

Give us some details on what that might change security wise? Uh, banking is getting easier now. Yes. I believe if things are legalized at a federal level, it will absolutely get easier, but here's how I think it's going to work. And my opinion is exactly that it is just my opinion. Um, I think it's going to start very slow federally. I think that there'll be a, you know, some people say, well, what about interstate commerce at a federal level? Honestly, I think we're a ways away from that. Uh, cause it was going to be a ton of regulations behind that. I think what's going to happen is there'll be a very minimal, carefully regulated, very mild, uh, uh, medicinal federal program, uh, across the board. And it'll be so light and it's not going

to be this big game changer state to state to state, but it will be a step in the right direction at a federal level to cause.

Speaker 3 ([21:42](#)):

So kind of connected to the previous question and to your question now, and then yes, with regards to banking, um, it is getting easier now, but I think, uh, some sort of a federal program will allow the big banks, you know, your chase, your, your B of a or Wells Fargo. I think it would allow some of your, your jargon four banks to start stepping in. Uh, and I think that'll actually be a good thing because at the end of the day, the bigger banks have better infrastructure. Uh, and they can, uh, survive a catastrophic immense, hardcore, uh, economy, bus and economy drags, not unlike what we're experiencing now, whereas the smaller banks, you, a lot of the ones during the 2008 recession in California, a lot of the smaller banks, uh, went upside down and that, and that was it. Uh, people lost a ton of money, whereas the bigger banks, yes, there's bailouts, but the bigger banks can weather those storms a lot better just because they're so large

Speaker 2 ([22:43](#)):

Returned to the higher enlightenment podcast in the moment. Do you need help in applying for a cannabis business license? Do you have questions about the process? Are you feeling overwhelmed? Good news, higher yields cannabis consulting can help our cannabis licensing experts offer industry leading support for all cannabis related businesses. Our team of experienced application writers has worked on over 100 cannabis license applications. Higher yields has worked on regulations and cannabis licensing in over 25 States across the USA and internationally in more than 10 countries, we've also helped our clients be a workplace 13 plus married based States. If you need assistance with the cannabis licensing process, don't hesitate to call us. Our initial consultation is free. Please call eight, four, four high yield or visit our website@wwwdothigheryieldsconsulting.com. We now return to the higher enlightenment podcast brought to you by higher yields cannabis consulting. Do you provide services and other countries

Speaker 3 ([23:55](#)):

We do. It's mostly consultation because of the restrictions with other countries. Um, I'll go back to Canada as an example. Sometimes we're just not allowed to provide, let's take guards, for example, we're just not allowed to provide that because we're not based there. We're not licensed there. We're not insured in those areas. Um, you know, say if you went to Nicaragua, South Africa, uh, so somewhere in Europe, they have such Cirque requirements just for you to be in business in general, uh, that it would be very difficult to start providing a service there. So really it's, it's that consultation, uh, that we can provide first. And then what we do is whatever vendors they want to use. We have a vetting process for any type of service for all sorts of different vendors. And we'll find the right vendor, uh, where there's no riffraff, the properly licensed they have experienced. They understand not just cannabis, but they understand the cultural dynamics behind cannabis, which is a really big point. Um, so we can, uh, help in that sense, but oftentimes we just can't provide a direct service in another country.

Speaker 2 ([25:09](#)):

Uh, could you explain about the, uh, riffraff that you keep bringing up?

Speaker 3 ([25:15](#)):

You know, it's new cannabis is still new, even though I'm like, well, we've had a program for, you know, over a decade now and like that's still brand new as opposed to, you know, the oil industry, which is, or the steel industry, which is well over a hundred years old, uh, cannabis still so much. And it's from a, uh, a legitimize standpoint, it's still very much in its infant stages. To your point. We don't even really have a major federal program yet. Uh, so there is a rush of people, you know, your opportunists that don't understand much about anything, you know what, let's take security, for example, maybe they know a lot about security, but they don't know enough about business. So they dive in and they do an injustice to the client, or they dive in and do an injustice to the client because they know about business, but they don't know enough about security, uh, or they know, uh, I'm definitely more of a general practitioner, right?

Speaker 3 ([26:10](#)):

Um, me specifically, but I have cohorts who, who are they're specialists, you know, your, your specific surgeons, if you will, a sister company with a CEO who knows all about systems integrations, that's his strength and that's what he sticks to alone. And then another one with regards to guard stats, his strength, that's what he sticks to and then private investigations. That's their strength. That's what they stick to. Uh, so there's a riff Raff in, you know, everybody and their brother is a consultant. You know, when you start getting beyond security, uh, Cowboys and fly by night operations, that they're trying to cash in very quickly. They don't really know what they're doing because it's all still very new and they get, they convince, you know, they, they have the gift of gab and they have that sales acumen, and they convince clients to opt into their service or their product or whatever. And tragically, it ends up being really bad, uh, because it's, this is an immature industry and the, the hard core people that are trying to do right. And are well-established and have good experience. No one is really well established yet. Um, not, not till we get much further down the road. Um, you won't see, uh, the grandpa companies around for many, many, many years to come.

Speaker 4 ([27:30](#)):

What do you think the ratio is between people who know what they're doing and the people who don't know what they're doing.

Speaker 3 ([27:36](#)):

So from a consulting standpoint, it's probably a half and half, I would say, half of consultants

Speaker 4 ([27:43](#)):

Don't know

Speaker 3 ([27:44](#)):

Enough of what they're doing from what they're trying to sell. And then out of that, half of that pie, I would say there's another 90% out of that half

Speaker 4 ([27:56](#)):

That they're not

Speaker 3 ([27:58](#)):

Bad consultants, but they don't know enough yet still, especially from a comprehensive standpoint. And then there's the ones that really shine, uh, you know, like the top 10% or even the top 1% that really know what they're doing. They're extremely focused. They have massive experience with exactly what the client is asking for. Let's take license for care. But for example, you know, uh, a question I would tell a client to ask a consulting company is, well, how many licenses has that, uh, organization one, uh, how many of their clients have actually won their license? Uh, and were they doing everything comprehensively or were they working on just one area like us? We just work on one area. We just work on the security piece. Uh, so there's different variables there, but I would say there's a small percentage of, uh, the real tried and true good, uh, individuals of vendors out there, especially from a consulting standpoint that not only really know what they're doing, uh, but also want to really do right by the client. They cared very, very much about the industry and they want to see things thrive. The other downside of that is I'm a, I'm a, you know, I'm an advocate of you get what you pay for we're, we're not, uh, we're not the most expensive, but we're certainly not cheap either by no means, uh, you know, you have to pay you on expert advice, you have to pay those expert rates.

Speaker 4 ([29:24](#)):

So do you help with license applications?

Speaker 3 ([29:27](#)):

Indeed. Yeah. Uh, but, but only with the security portion, we're going to work with higher yields for a short period. Now, the relationship I would say is still somewhat new, but, but it's been phenomenal thus far, uh, worked with a lot of different consulting companies all over the place. In fact, uh, I, myself specifically I have worked on over 250 applications, uh, in the United States and Canada, uh, amongst all of my core, it's my other consultants, content writers, and so forth. We've actually worked on, uh, just shy of about 600 applications. How about

Speaker 4 ([30:07](#)):

And operating procedures? Can you give us a rundown on what

Speaker 3 ([30:11](#)):

Oh, that would involve? Yeah. Yeah. SOP development, standard operating procedure development, security, regimen development, uh, so on and so forth. Yes, indeed. Uh, we absolutely provide services for that. And, uh, we CA as long as the client has an understanding of the value of it, oftentimes we have to provide the services cause some regulations require it. Um, but occasionally we get a great client that understands a, a proactive approach, uh, behind a service like that and making sure that it's done right and formulating a good plan on paper, and then even getting into things like training staff, uh, towards those SOP. So there's, there's good security regimens there. Uh, so yeah, the shorter answer is yes. And the long answer which I just gave is yeah. And we can do all these other different pieces around it.

Speaker 4 ([31:02](#)):

How involved is security on the seed to sales software tracking side, for example, do you get involved with things such as metric?

Speaker 3 ([31:11](#)):

Not so much, there's a co uh, consulting involvement there, but not a lot of direct involvement. Good question with a metric, like, like you said, like for Colorado, um, and every state has their different

systematic process for seed to sale. Um, there is a, some people say, well, there's the cyber involvement. Okay, sure. But that's pretty mild. And that's not unlike any cloud-based platform with regards to cyber involvement and software for seed to sale. Uh, but then there's the security pieces with regards to HIPAA and so forth. You've got your medicinal patients, you have to protect patient information. You should be protecting client information period. Uh, so there's some consultation there. Yes. But it's not as nitty gritty and as heavily involved as like, you know, your transport, your systems, install your cameras and such your guards, et cetera, et cetera, where that's a lot more heavy lifting. Uh, but yeah, there is, there is some there, and some of them do intertwine and interconnect, like with metric, like you said, there's a transport aspect there. And, and, and manifests that come along with the transport piece, which is all the security dynamic and falls under that security umbrella. So a lot of it's just really consultation.

Speaker 4 ([32:28](#)):

Could you explain, uh, two 80 taxes to our audience?

Speaker 3 ([32:31](#)):

Yes, very mildly though, because I'm not a, I'm not an attorney, I'm not an accountant. I'm not a tax attorney. So in short, and, uh, we've been backed and backed by our legal counsel and even some very strong tax attorneys, um, that they, they said, you can say these words that I'm about to say, so two 80 E under 10, uh, cannabis, uh, tax law tax code, there are few cogs that you can write off cogs being costs of goods sold, right? Our, our accounting lingo. Um, one of which I won't get into the rest, cause I don't know enough about the rest of the one of which is a form of inventory control. And fortunately for, for, for companies like resolution security, a form of inventory control is considered surveillance, active remote video surveillance. So we take full advantage of that and some of our clients, and they write that off. Now, me personally and professionally, I would argue, well, a lock on a door is a form of inventory control on cannabis, in my opinion, or, or even a guard. However, the IRS doesn't see it that way. So that's my short and sweet spiel on the tax write off, uh, for two 80 with regards to surveillance. Okay. Um,

Speaker 6 ([33:50](#)):

How has the industry evolved since you got

Speaker 3 ([33:52](#)):

Involved? It is evolve. I would say when you look at the, at the 100 foot view, I feel like it's evolving and maturing a lot, but when you zoom way out and get 10,000 feet up or even 30,000 feet up, I think a lot of people would agree with me. Has it evolved a ton yet because it's still so new. Um, I see evolutions, um, with companies, different sub niche areas of the industry, but overall, um, I like to use the phrase that I've heard many pioneers in the industry use. We're in the, the bottom of the second inning of a six game series. It's still very new. We're still just getting started. Uh, we're barely past the warmup. Uh, so evolving. Yes. Uh, but usually in my opinion, it's more at the micro level. Not necessarily at a macro level,

Speaker 6 ([34:56](#)):

Has the focus changed from one area to another is like a problem.

Speaker 3 ([35:01](#)):

Good question. Um, I think that people are starting to view safety and I don't just mean safety from a security standpoint, safety across the board as becoming a heavier priority, HIPAA, the FDA, they're starting to poke their head into the industry. So you've got safety from product consumption to safety with, with regards to security safety, with regards to transport and whatnot. Um, I think we're seeing some, uh, some areas of involvement there. Yeah. Um, what States are keeping an eye on

Speaker 6 ([35:38](#)):

In 2020 to legalize or start a marijuana program?

Speaker 3 ([35:43](#)):

Um, Arizona, uh, Illinois, uh, for, for obvious reasons, they're about to close up with her infuser transport and, uh, craft grow license applications. We're still waiting to hear with Illinois about individuals who have won their license for the last previous round for dispensary. Uh, so all of those businesses, when they get their license, they get to turn on. If you will turn the lights on, hang their shingle and so forth. So then that's new opportunities for, for myself and my companies. Uh, so like, okay now, like just as we always explain to our clients, we want to take care of your longterm. Now it's time to install the system. Now it's time to implement the VSOP and our regimens as we just discussed. Uh, it's time to move forward and get you to a point of, of thriving safely. Um, so yeah, so Illinois, Arizona, Michigan, um, I would say a more relevant question is actually, uh, uh, looking at the States that have calmed down. I think Colorado is calmed down quite a bit. There's still some new business to be added. There's always updates. Uh, you know, people transforming are bawling, their business relocating and whatnot. So there's, there's opportunities there, but it's not like the rush of when the flood Gates open when a new state turns their lights on.

Speaker 6 ([37:09](#)):

Is that him side of the industry a bit safer or is that still call first same amount of security or less, or,

Speaker 3 ([37:16](#)):

Um, I think it's, uh, it's safer, but only for a couple reasons. One, there's not as many heavy regs with regards to, uh, security. So it's safer from a cash standpoint for the client. And I mean, cost standpoint for the client is, and they don't have to spend as much money. Um, you know, security from a risk standpoint to me is ubiquitous across really any industry. It's all just how you, you view it at the, at the macro and the micro level. Um, people, when they think of T the THC side of marijuana, that asset has a higher cash value. So I'd say there's, there is more of a risk and in your face risk there, as opposed to hemp, you know, hemp, we can make shirts and plastic bottles and car parts like your car panels from hemp. So there's not as, uh, there's not as a sexier allure as there is. Well, the product that I can steal from the dispensary down the street, or the Grove down the street can be sold for direct cash on the street. Um, so there's a, there's a different level of risk. There's still risk across the board. But I would say, I guess on the surface and at the view, yes, the hemp side is a little bit easier, a little bit lower risk, um, than the direct medicinal and direct recreational sales level with your THC side of the cannabis. Yeah.

Speaker 6 ([38:50](#)):

It's more like if you just have a regular fiberglass business or something.

Speaker 3 ([38:54](#)):

Yeah. There you go. Yeah. I probably could have explained that a lot better.

Speaker 6 (39:00):

No, you did good. Are you a user of cannabis

Speaker 3 (39:05):

Apologetic one as opposed to many security consultants in the industry laptop? Can't answer that question. Well, yes, you can. Well, that, that would mean yes. That, yeah. I know the answer, a lot of companies and security, whether, you know, guards and whatnot and the, the owner or the supervisor or whomever is, you know, a former cop or whatever, and they just don't want to, they're still afraid they don't want to touch on that. Uh, I understand the fear behind that, but you know, either you're in it or you're not, and I'm in it, and I'm a proud of that. I don't partake often at all. Uh, I would say two to 10 times a year, so really not often, but yeah, absolutely. From edibles to your smoke, uh, yes, I use cannabis

Speaker 6 (39:58):

Products or strains,

Speaker 3 (40:01):

Um, is interesting. So, uh, I know that you're, you're, you had some courses where are your top five favorite straights? I couldn't even get that too. I couldn't even name five strengths. Um, I like sour diesel, um, and, uh, God, what was it Jack hair? I don't know if I'm saying that right. Your Jack Harris rain. I really kicks my. I have to be very careful with that strange, um, particular probably. Yeah, I'm still kind of old-fashioned, we're also occasionally smoke it, edibles intimidate me a little bit because, you know, with regards to the dosage, I always tell people, you know, you're going to go down that rabbit hole, whether you like it or not. And when you're smoking, you know, you can get to a certain point and then when you're comfortable, you can stop and you can set the pipe down or the bog down or whatever. Right. Whereas with edibles, uh, whatever that milligram dosage is, you know, you're going to go down that road, whether you like it or not.

Speaker 6 (40:57):

Are there any products that you like in the CBD market? So, you know,

Speaker 3 (41:02):

Oh, across the board we're seeing CBD having, you know, whether it's your full spectrum, your broad spectrum with, or without your TC. We're seeing benefits of CBD all over the place. Uh, a lot of the benefits are undeniable. I don't care what any scientific studies say or don't say. I mean, you look at a lot of these kids that are on these heavy regimens or Epidiolex or whatnot, Charlotte's web strains, uh, give them a shout out. And you're seeing kids that are having little to no seizures when they were in, you know, like over a hundred seizures a day. That to me is like undeniable direct evidence as to the benefits. Uh, and then you have your more mild approaches to, with regards to CBD, mild, mild benefits in that, uh, you know, like when I first started using it, I noticed, uh, I had a reduction in inflammation, which is, as I get older, I is more and more of a problem for me, my bees, my ankles, especially my knees, cause I like to run.

Speaker 3 (41:59):

Uh, so my knees or my ankles, I think it's swollen. And I struggle with that when I'm running. And then of course my post jog, especially when it's cooler out. Um, and I noticed a direct Fest, so I'm a daily user of CB. Uh, I actually, I'm an investor in this industry and I have a company called dynamic orders, which sells CBD and it's very heavily veteran focused. Uh, but there's, there's effects across the board to help you with sleep and help you with, uh, you know, anti anti-inflammatory, like how I use it all the way into the aggressive areas to, you know, when you mix it with the appropriate amounts of the appropriate strains of TCU, you, you, you get to save children from having these nasty seizure. So I honestly feel like it's this incredible, it's now more than ever. And I've really only woken up to CBD in like the last two years.

Speaker 3 ([42:52](#)):

I think it's absolutely incredible. I think it's a godsend in many respects, uh, and we need to continue with studies because I think the studies are going to show proof that yes, it's helpful for things like sleep, inflammation, seizures, et cetera. But I think that studies are also going to show other things that help your brain and other different systems, your endocannabinoid system, uh, in ways that we can't see directly or can't see physically, uh, the test results may show some other positives that like, Oh, wow, we didn't even know that, you know, this could actually treat this, this thing over here. And we didn't even realize that, you know,

Speaker 6 ([43:30](#)):

I think, I think just about everybody has a story like that, that, or they know somebody who's, who's had really good experiences with it. You know, like, like my, uh, a family member had cancer and, uh, it helped really helped her get through it.

Speaker 3 ([43:47](#)):

Yeah. Yeah. I tell people, watch Israel, they're, they're leading the charge. At least this is what I hear all over the place. They're leading the charge with regards to studies. And I think mainly that's because a really, really good credible studies frankly need to be funded by a government because they're so expensive. And I've had this example, uh, uh, directed to me with regards to what scientists and chemists considered, uh, a good long-term study is actually 10 or more years. A good, large scale study is 10,000 or more people. And to give an example, the average study, okay. For something like CBD, uh, over the course of 10 years on 10,000 or more people in the United States will cost approximately \$300 million. Okay. That's quite a price tag. Not a lot of people are going to front the cash for something like that, but uncle Sam, uh, and other governments, of course like the Israelis, um, they can front the cash for, for things like that.

Speaker 3 ([44:57](#)):

And then we get to see real good credible information, large scale long-term like, what are the real positive or negative effects to these different things? Yeah, exactly. There's a lot of ignorance find CBD cannabis, endocannabinoid systems, so on and so forth. I think education is huge and I'm going to plug a dynamic warriors again. Uh, there is a hemp CBD education page that you can click on and there are a myriad of different, uh, in-depth articles, many of which written by medical doctors. Uh, and you can educate, um, that allows us for things like, you know, search engine optimization, but really we want to empower our potential users and just people across the board with education and let them make an informed decision. Um, so yeah, I encourage people to learn when you don't know, what do we do? We flock to Google and we try to look for credible sources of information and we try to educate ourselves.

Speaker 5 ([46:03](#)):

Thanks so much for being here, Derek. Um, it's been very informative, um, great guests and, uh, hope to have you on very soon. And, uh, also I'd like to give you a chance to tell the audience about your various websites or where they should go

Speaker 3 ([46:19](#)):

For more information. Absolutely. And the feeling is mutual on my end. Um, I absolutely grateful anytime that, uh, uh, people want to talk to me professionally and, uh, allow me to spread the word, spread my knowledge and, and keep potential clients informed, keep users of cannabis informed on various things. So, uh, again, thank you so much for having me and, uh, and allow me to plug the businesses. So very simply what a cannabis security experts is, cannabis security experts.com, uh, which is wholly owned by my security firm.com. And then we have two sister companies that's think smart security.com, uh, which is a systems integrator and then resolution security.net. That's your mobile surveillance and last, but certainly not least with regards to CBD, you can go to dynamic warriors.com for very amazing quality CBD products, but also some good education. So you can school yourself up. Okay. Well, thanks so much for being on and we'll see you soon. I hope. Thank you.

Speaker 2 ([47:38](#)):

That's all the time we have for now. Thanks for listening. And please stay tuned for some partying announcements for information on how to follow the higher enlightenment podcasts. Please be sure to check out the description below you'll receive all the latest and greatest podcasts news and announcements. We'll also let you know when we release new episodes. If you'd like to be a guest on a higher enlightenment podcasts or have ideas about upcoming episodes, please be sure to check out the description below for information about sponsorship or advertising on the higher end podcast. Please call us at eight four, four high yield for four H I Y L D, or visit our website [www.consulting.com](http://www.consulting.com). Please join us in two weeks when we'll be talking to the HYC staff about the pandemic and how the industry is adjusting to it. Thanks. Have a great day. And we'll talk to you soon. Scene

Speaker 3 ([49:05](#)):

One, Apple, take two.