

To hemp or not to hemp? Fresno expo geared to fledgling industry

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Written by David Castellon, Staff Writer



If you believe the full legalization of hemp this year is something that might interest just a few Valley farmers and investors, the people who attended the California Hemp Expo Nov. 5 probably would disagree.

So many showed up for the all-day event held partly in the large lobby of the DoubleTree Hilton Fresno Convention Center that the line of people checking in or buying their \$70 tickets nearly went out the hotel's front door.

While somebody who knew nothing about the once illegal hemp industry might have been surprised at the crowd of about 400, Roger Tejada, a sweet potato farmer from Merced County looking to become a hemp grower, said that based on the research he's done, he knows there's a lot of interest in the burgeoning hemp industry — likely a lot more than people expect.

“We've gotten a lot of information off the Internet. We're here now to talk to real people,” which included working farmers and vendors of seeds, ag chemicals and other products used by hemp growers, along with the various experts selling services or leading workshops at the hotel and at the nearby Bitwise Industries building, Tejada said as he and some friends stood in line to buy their tickets.

More information

“We’re just trying to get some more information, do some networking, trying to maybe find some vendors — people who are maybe going to expand, buy our crops — and see if it’s something for us to do,” he said.

In a way, hemp is like the latest gold rush, joining electric vehicles, renewable energy and other new businesses that have disrupted the status quo, said Ollie Danner of Bakersfield, who owns a business that extracts cannabidiol (CBD) oil from hemp.

“It’s just so big and so many people interested [in hemp] — all types of people.”

“And the big guys are coming in, too — like the Walmarts of the world, who are going to be growing their own and extracting,” noted Danner, who also owns a plant developing a process to make ethanol out of hemp waste. He is also starting an online directory, www.HempAccess.com, which he expects to go live before the end of this month, where farmers will be able to connect to hemp processors, insurance companies working with the industry, funding sources and others involved with the hemp industry.

Moving fast

“This is just a small sampling of what’s going on in the industry,” he said of the Fresno event, the first expo put on by **CA Hemp**, which before the law change put on smaller seminars about hemp.

Owner **Brian Webster** said the turnout here was so strong that he already plans to make the Fresno expo an annual event, and he’s considering holding a separate expo in January somewhere in Southern California.

While some states have been building their hemp industries since passage of the 2014 Farm Bill — which allowed growing and processing under strict guidelines — thanks to the hemp’s full legalization under the 2018 Farm Bill, interest in hemp has blown up, said Danner, noting that with so much good farmland in the Valley, this area could become a national focal point of hemp growing and hemp manufacturing, as Kern County already is California’s top hemp-producing county.

For the Benjamins

As for what’s driving the interest in hemp, certainly there are people interested in holistic medicine and those looking to jump from the legal or illegal marijuana industries to a fully-legal industry — as pot industries in the states allowing them generally have restrictive rules — “and there are people out there in it purely for the money,” Danner said.

“You go to some conferences now, these are people in the [information technology] industry, the solar industry. They’re all in the hemp industry now,” along with other investors, some just about throwing money at farmers who are only just learning what’s involved in growing hemp.

Indeed, several people at the expo noted that hemp crops could generate more revenue than most other commercial crops in the state, including almonds, while being resistant to the effects of drought.

Misssteps abound

Despite the high potential for profitability, “there are a lot of missteps now,” in part because most U.S. farmers don’t know how to properly grow hemp or know the right varieties of hemp that will grow best under their specific weather and soil conditions or the right type of hemp to grow.

It’s estimated that at least 10,000 products can be made with the plant from medicinal oils to food products to t-shirts to sails to substitutes for concrete and heavy plastics.

“Right now one of my businesses is to golfers,” to relieve muscle pain and help with their golf games, Danner said. “It’s a booming business.”

In fact, right now the heaviest demand in the U.S. for hemp is for extracting CBD oil, but different varieties are needed to make hemp cloth and other goods.

Building blocks

Then there’s the issue of ensuring the seeds used and the farming methods produce hemp with no more than .3% THC, as the federal law requires crops testing at higher levels have to be destroyed.

“There’s a lot of growers losing money due to lack of regulations, testing issues,” said Danner, noting that new federal regulations on hemp growing that the federal government issued for public review last week may force some hemp farmers already in business to have to change their practices, which could be costly.

Another problem is new farmers harvesting their hemp too late, causing the plants’ THC levels to elevate higher than the law allows, “and they lose it all. There are a lot of farmers I know of who have lost two crops in a row,” Danner said.

Processing capacity

Add to that the number of hemp manufacturers isn’t yet keeping up with the rise in hemp farming, so many farmers are growing crops without having anybody to buy them ahead of harvest, unlike most farmers who generally know who is going to buy their peaches, lemons, grapes, cotton, etc. ahead of their growing seasons.

For his part, Webster suggested that new hemp farmers not jump in with all they have, instead planting on just portions of their farms and doing test rows to develop their farming methods and determine which seed varieties grow best for them.

The slow start may also help hemp manufacturers build or expand to ensure the hemp being grown here in the state has a place to go, as well as to give time to develop foreign customers for California hemp.

And it’s not just potential hemp growers and manufacturers looking to make it big.



There was a big line of people looking to get into the first California Hemp Expo Tuesday in the large lobby of the DoubleTree Hilton Fresno Convention Center. Photo by David Castellon.

Ancillary businesses

Among the vendors at the Doubletree were lawyers and insurers specializing in serving hemp industry clients, and among the attendees was a real estate broker looking to learn the business to better conduct land purchases and sales for hemp growing, while members of a Fresno veterans group were there to learn so they could put on their own hemp conference as a fundraising event.

“It’s analogized like the gold rush. A lot of the people who will succeed here are the pick and shovel companies — so people who are supplying the picks and shovels to the hemp farmers to grow,” Danner said.

“There’s going to be winners and losers.”

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