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Adult Use Marijuana Initiative Fails in Arizona Medical Market Projected to Grow to \$681M by 2020

Washington – Voters have rejected the Arizona Marijuana Legalization Initiative, also known as Prop 205. New Frontier Data, the authority in cannabis Big Data analytics, in partnership with Arcview Market Research, are projecting the size of the medical marijuana market in Arizona to grow to \$681 million by 2020.

“Despite the failure of Arizona’s adult use measure, the state’s medical market is still forecast to nearly double between 2016 and 2020. Although the market will still grow, revenues will remain significantly lower than if adult use had passed creating a much more challenging competitive environment for operators in the state.

The measure’s failure reflects a well-funded, well-coordinated opposition campaign that was supported by both key lawmakers and external actors including a large pharmaceutical company. Legalization advocates are unlikely to advance another initiative before the next general election,” said New Frontier Data Founder & CEO Giadha DeCarcer.

“There is nothing more powerful than an idea whose time has come. This is marijuana’s moment,” said Arcview Group CEO Troy Dayton. “You will not find another multi-billion dollar industry growing at this rate that isn’t already attracting huge multi-national companies and institutional investors. It’s truly a historic opportunity for pioneering investors and entrepreneurs to take a run at a huge market without needing to compete with the really big dogs...yet,” said Dayton, Arcview Group CEO.

Arizona’s medical cannabis program has grown steadily over the past few years. In 2016, medical sales are projected to reach \$367 million, and grow to \$479 million by 2020, a 7% compound annual growth rate.

Prop 205 faced an uphill battle to legalization due to the limited funds available to the campaign after several months of lower than expected fundraising, and higher than normal advertising and outreach costs as the initiative competed against national and local candidates for television airtime and outreach support. Additionally, Insys Pharmaceuticals, which makes an opiate spray to treat pain for cancer patients, became the largest donor to the opponents of Arizona’s legalization initiative with its donation of \$500,000, four times the next highest opposition donor. Insys is also the first pharmaceutical company to officially oppose a cannabis legalization measure.

About New Frontier:

New Frontier Data provides objective, rigorous and comprehensive analysis and reporting for the nascent and underserved cannabis industry. New Frontier’s data and reports have been cited in

over 45 countries around the world to inform industry leaders. New Frontier, the premiere Big Data shop in the sector looks beyond the plant cultivation and distribution, to raise the industry bar and improve visibility into what will inevitably soon be a mature and more complex industry. Founded in 2014, New Frontier is headquartered in Washington, D.C. and has additional offices in Denver. For more information or media inquiries, please visit www.frontierfinancials.com or contact Gretchen Gailey at 202-489-3821 or ggailey@frontierfinancials.com.

About The Arcview Group:

Founded in 2010, The ArcView Group is responsible for a number of groundbreaking ventures in the cannabis industry. The ArcView Investor Network includes more than 500+ dues-paying accredited investors who have put more than \$74 million behind 130 companies. [Arcview Market Research](#) produces the State of Legal Marijuana Markets report, which is the most oft-cited market report. ArcView is a partner in [CanopyBoulder](#), a seed-stage mentor-driven business accelerator. ArcView is also co-founder of [Cannasure Insurance Services](#), the leading provider of business insurance to the cannabis industry. For more information or media inquiries, please visit www.arcviewgroup.com or contact Abby Benjamin at 855-892-1951.

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