A beginner's guide to CANNABIS PRE-ROLL PRODUCTION



# **CONTENT:**

Introduction	3
About pre-rolled joints	4
Benefits of pre-rolls	5
Opportunities in the market place	6
Important considerations	7
Machinery required	9
Process automation solutions	10
The advantages	11
What is the next step?	12
CME Machinery	13
Contact Us	14



### A record high: LEGAL CANNABIS USE IS BLAZING ACROSS THE WORLD.



So, you've decided to explore cannabis pre-roll production as a new business venture. You've heard that there are some lucrative opportunities to enjoy, and you're certainly not mistaken.

As reported by Flowhub, New Frontier Data calculated the compound annual growth rate (CAGR) of the legal cannabis industry to be 11% between 2020 and 2030, ultimately putting the industry's worth at more than \$57 Billion by 2030. There's definitely a sweet smell of success in the air.

Understandably, the maturity of the market directly reflects differing legal environments and public attitudes towards cannabis. In the USA, California was the first state to legalise medical cannabis, way back in 1996 – and now it's available for medicinal use in 38 states, with 23 states legalising cannabis for recreational use, too. According to a poll by Gallup, more Americans were smoking weed than tobacco in 2022 – with the use of marijuana leaping up by a third in just one year. This is a record high.

The legalisation of cannabis is growing across Europe, too. Although generally taking a more conservative approach when compared to the USA, cannabis is legal (albeit with various caveats) in Malta, Luxembourg, Spain, Portugal and the Netherlands – and the Czech Republic, Prague and Germany have been vocal in discussing their recent proposals to do the same.

Germany's plan, in particular, is big news for the cannabis industry. Should the proposed legalisation come to fruition, it could create the world's largest national marijuana market to date.



# WHAT'S THE DRAW OF PRE-ROLLED JOINTS?

Cannabis pre-roll production presents a smouldering opportunity for entrepreneurs.

Legalisation and growing acceptance have, of course, opened up new markets and opportunities for businesses. There are undoubtedly more legal consumers of cannabis than ever, and this brings new opportunities alongside the swathes of casual smokers. After all, a well-rolled joint is somewhat of an artform; and when cannabis is available to have-a-go users, the drive for convenience piques.

Not everyone who wants to smoke cannabis knows how to roll a joint. Even if they're willing to learn, it's a messy process for amateurs, and – ultimately – a poorly rolled joint leads to a poor smoking experience. Pack a joint loosely and it will burn quickly and unevenly, using a lot of product with little effect. The filter might fall out if it isn't well held, and – perhaps the most frustrating of all – the adhesive can come loose on the paper and spill the joint's contents.

Embarrassing at best. Costly at worst (after all, just because weed is legal doesn't necessarily makes it cheap).

This is why pre-rolls are on-a-roll.

4

## WHAT ARE THE **BENEFITS OF PRE-ROLLS?**







TESTED



PRECISE

### **CONVENIENT FOR USERS.**

Pre-rolls come ready to smoke, benefitting those who may not have the skills, knowledge, or desire to roll their own joints.

### TIMESAVING.

Pre-rolls are a hassle-free way to consume cannabis. Instead of spending time grinding, rolling, and packing a joint, consumers can simply purchase a pre-roll and enjoy it immediately.

### PORTABLE AND DISCREET.

Ideal for on-the-go consumption, pre-rolls can be easily carried in a pocket, purse, or travel case, allowing users to enjoy cannabis discreetly when desired

### VARIETY.

Pre-rolled joints offer a wide variety to choose from, allowing consumers to explore different flavours, aromas, and effects. This variety enables users to find strains that align with their preferences, whether they seek relaxation, creativity, focus, or other results.

### **TESTED AND LABELLED.**

In regulated markets, pre-rolled joints often undergo laboratory testing for potency, purity, and contaminants. This testing ensures that consumers have access to accurate information about the cannabinoid profile, potency levels and potential contaminants present. Proper labelling also provides transparency and empowers consumers to make informed choices.

### **CONSISTENT AND PRECISE.**

Pre-rolled joints are typically manufactured using automated processes, ensuring consistent and precise quantities of cannabis, every time. This consistency provides a more predictable and controlled experience for consumers, allowing them to gauge their desired dosage more accurately.



# NEW ENTRANTS INTO THE CANNABIS PRE-ROLL MARKET CAN CAPITALISE ON THE GROWING DEMAND.

With a wide variety of strains available, businesses can differentiate themselves through branding, packaging, and unique product offerings.

By developing a strong brand identity and creating high-quality prerolls, companies can attract loyal customers and stand out in this competitive market.

Pre-roll manufacturing is also not limited to the creation of the product itself. There are various ancillary business opportunities associated with cannabis – such as packaging, marketing, distribution, and retail. Entrepreneurs, if interested, can explore different aspects of the supply chain, and provide specialised services to the industry.

Perhaps the biggest appeal for budding tycoons, however, is the favourable profit margin. Cannabis products often have a higher markup when compared to many other consumer goods - due in part to the regulatory and licensing requirements, as well as the specialised knowledge and expertise required to operate within the cannabis industry.

As a result, there's huge potential for return on investment; but of course, even newbies can't be too green...

# WHAT ARE THE IMPORTANT CONSIDERATIONS TO MAKE WHEN STARTING A CANNABIS PRE-ROLL PRODUCTION BUSINESS?

Yes, you need to play your cards right when you dive into pre-roll production – but it's far from smoke and mirrors. There are some key elements to tick off before you can produce your first batch, so let's run through them before going any further.

### LEGAL AND REGULATORY COMPLIANCE.

Cannabis is a heavily regulated industry, and it's crucial to understand the legal requirements in your jurisdiction. This includes obtaining the necessary licenses and permits, adhering to product quality and safety standards, and complying with local regulations regarding cultivation, manufacturing, packaging, and distribution.

### BUSINESS PLAN AND FINANCIAL CONSIDERATIONS.

Before making any large investments, you should develop a comprehensive business plan that outlines your objectives, target market, pricing strategy, marketing plan, and financial projections. Consider the costs associated with equipment, facilities, raw materials, labour, packaging, marketing, and compliance. You'll need to secure adequate funding or investment to cover all of these expenses.

### PRODUCT QUALITY AND CONSISTENCY.

Quality is essential to building a strong brand reputation and attracting loyal customers. After all, your users are inhaling this product into their bodies – It's not a time to gamble. You need to invest in robust quality control measures, including sourcing high-quality cannabis strains, ensuring proper storage and curing processes, and implementing rigorous quality assurance protocols.

### SUPPLY CHAIN MANAGEMENT.

Establish relationships with reliable suppliers of the cannabis flower, or other raw materials required for pre-roll production. Consistent and reliable supply to meet customer demand will be critical, and you'll need to consider what each partner can offer in terms of sourcing sustainability and pricing.





### CONTINUED...

### MANUFACTURING AND PRODUCTION PROCESS.

You'll need to set up a wellequipped production facility with suitable machinery, tools, and infrastructure to appropriately manufacture pre-rolls. Be sure to develop standard operating procedures (SOPs) for each step of the production process - including grinding, rolling, and packaging to ensure consistency, efficiency, and compliance with regulatory requirements.

### PACKAGING AND BRANDING.

You should invest in attractive and compliant packaging that reflects your brand identity. Ensure that packaging adheres to labelling requirements and includes necessary product information, such as potency, strain information, and health warnings.

### MARKETING AND DISTRIBUTION.

Develop a marketing strategy to create brand awareness and reach your target market. You should consider both online and offline marketing channels, such as social media, websites, and local events. Establish the distribution channels required to get your products to retailers or directly to consumers, depending on the legal framework in your region.



#### COMPLIANCE AND RISK MANAGEMENT.

It's crucial to stay informed about the evolving regulatory landscape and adapt your operations accordingly. You should implement robust compliance and risk management systems to ensure adherence to regulations, minimise legal and operational risks, and maintain a safe and compliant working environment.

### INDUSTRY NETWORKING AND PARTNERSHIPS.

Want to step it up a notch? You should engage with industry associations, trade shows, and conferences to stay updated on industry trends, regulations, and best practices. Building relationships and partnerships with other businesses in the industry – such as suppliers, distributors, and retailers – will expand your network and enhance market opportunities.

### HUMAN RESOURCES AND TRAINING.

Ready to get started? It's time to hire skilled and knowledgeable staff who understand the cannabis industry, and are trained in the specific processes and compliance requirements of preroll production. As an employer, you should also provide ongoing training and education, to ensure your team stays updated with the latest industry developments and regulatory changes.



# WHAT MACHINERY IS NEEDED IN A CANNABIS PRE-ROLL PRODUCTION FACILITY?

To start a production business, you will need specific machinery and equipment to produce pre-rolls efficiently and effectively.

Here are some key pieces of machinery commonly used in pre-roll production...

### **GRINDER.**

Used to break down the cannabis flower into a consistent and uniform size for pre-rolls. Grinders can vary in size and capacity, ranging from small manual grinders to large automated grinders.

### **CONE FILLING MACHINE.**

Designed to fill pre-rolled cones with ground cannabis, these machines automate the process and ensure accuracy. They also reduce manual labour and increase production efficiency. Cone filling machines can handle various sizes of pre-rolled cones and may offer additional features, too.

#### WEIGHING SCALE.

Accurate weighing is essential to measure and control the amount of cannabis used. This ensures consistency in potency and dosage. Digital scales are precise and typically used in pre-roll production.

### TRIMMING EQUIPMENT (OPTIONAL).

Removes excess leaves and stems from the cannabis flower before grinding. Trimmers range from small handheld devices to automated machines for larger-scale operations.

### **PACKAGING EQUIPMENT.**

Used to protect and label your products, including case packing or tax stamping.

### OTHER EQUIPMENT COMMONLY FOUND IN MANUFACTURING FACILITIES INCLUDE;

workbenches, storage racks, and cleaning supplies to maintain hygiene and organisation within your production area. WHAT ARE PROCESS AUTOMATION SOLUTIONS AND WHY SHOULD YOU CONSIDER THEM FOR CANNABIS PRE-ROLL PRODUCTION?

Process automation solutions refer to technologies and systems that aim to streamline and automate various business processes within an organisation.

These solutions leverage a combination of software, artificial intelligence (AI), and other technologies to reduce manual effort, improve efficiency, enhance accuracy, and enable organisations to scale their operations. Cannabis pre-roll production can benefit hugely from process automation, and it's something you should seriously consider when initially investing in plant equipment.



# WHAT ARE THE BIGGEST ADVANTAGES OF PROCESS AUTOMATION SOLUTIONS?

While offering numerous benefits, it's important to strike a balance between automation and manual processes based on your production volume, budget, and specific business needs.

Careful planning, training, and maintenance are necessary to maximise the advantages of automation, so it may be necessary to work with a process automation partner – with experience of cannabis pre-roll production – to ensure its seamless integration into your process.

#### **INCREASED PRODUCTION EFFICIENCY.**

Automation can significantly improve production efficiency by reducing manual labour and streamlining the manufacturing process. Automated machines can perform tasks such as grinding, rolling, filling, and packaging with speed and precision, allowing for higher production volumes and faster turnaround times.

#### **CONSISTENCY AND QUALITY CONTROL.**

Automations maintain consistent product quality by eliminating human error and ensuring standardised processes. Automated machines can accurately measure and dispense precise amounts of cannabis, resulting in consistent pre-roll sizes, weights, and densities. This consistency enhances the overall customer experience and builds trust in your brand.

#### **COST SAVINGS.**

While automated machinery requires upfront investment, it can lead to longterm value. Automation reduces labour costs by minimising manpower, which can be significant in high-volume production. Additionally, automation reduces the risk of material waste, as machines can consistently and accurately measure and dispense the required amounts of cannabis.

#### **CONSISTENT BRANDING.**

Automation enables consistent branding and packaging by ensuring uniform product sizes, weights, and labelling. This consistency contributes to a professional and cohesive brand image across your pre-rolls, enhancing recognition and customer loyalty.

#### **INCREASED SCALABILITY.**

Automation allows for versatility as your business grows. With automated machines, you can easily increase production capacity by running multiple machines simultaneously or investing in larger-scale equipment. This flexibility enables you to meet growing market demands without compromising product quality or increasing labour costs proportionally.

#### **IMPROVED SAFETY AND COMPLIANCE.**

The cannabis industry is subject to strict regulations regarding product safety, quality, and labelling. Automation helps ensure compliance with these regulations by standardising processes and reducing the risk of human error. Automated machines can also incorporate safety features such as child-resistant packaging mechanisms, enhancing product safety and meeting legal requirements.

#### TIME SAVINGS AND FOCUS ON CORE TASKS.

By automating repetitive and timeconsuming tasks, you can free up valuable time for your team to focus on core business activities, such as product development, marketing, and customer relations. Automation allows you to allocate resources more efficiently and concentrate on strategic aspects of your business.



# KEEN TO SPARK UP YOUR CANNABIS PRE-ROLL PRODUCTION BUSINESS? CME CAN HELP YOU.

# CME are manufacturers of cannabis packaging machinery and process automation solutions.

We have over 35 years supporting our customers in various sectors around the world. These markets include cannabis, tobacco, pharmaceuticals and food & beverage.

Our standard cannabis packaging equipment includes...

- PRE-ROLL PRODUCTION
- PRE-ROLL PACKAGING
- TAX STAMPING
- WRAPPING
- CARTONING
- OVERWRAPPING
- FLOWER BAG / JAR PACKING

This is complemented by bespoke machinery design and build capability - ranging from concept or feasibility studies, through to full line supply and integration tailored to your specific needs.

At CME, we're committed to supporting the growth of the legal cannabis industry by providing innovative automation solutions that help our clients operate more efficiently and effectively.

# AS INDUSTRY EXPERTS, CME OFFER A WEALTH OF INTELLIGENT MACHINERY.

If you're just starting out in cannabis pre-roll production, we're more than happy to work with you to choose the best solution to get started.

We can even help you with factory layout planning, designed to suit the required machinery and maximise use of available factory space.



AUTOCONE AND AUTOPREFORM CONE MAKER.

The AutoCone produces pre-rolled cannabis joints from premade cones that are filled with cannabis and twisted to close. The Autopreform Cone Maker cuts and forms cones in various sizes ready to be filled by the AutoCone.

**AUTOTWIST PRE ROLL FINISHING.** 

This is a manually operated bench top system that automatically twist-finishes hand filled or vibration box filled - pre-rolls.

**ROBOTIC PRE-ROLL PACKING MACHINES.** We supply a selection of product packing machines – including kush tube and tray packing, pouch filling, and tube labelling.

#### **AUTOCONE LITE.**

Designed to produce pre-rolls with a lower capital outlay compared to standard automated pre-roll technology, the AutoCone Lite allows for higher weight accuracy for lower product volumes.



CYLINDRICAL PRE-ROLL PACKING MACHINE.

The ultimate solution for the packaging of cannabis / CBD straight sided pre-rolls into a hinged lid packet (cigarette box style).





CME OFFERS A FAST, RELIABLE, FLEXIBLE CUSTOMER-FOCUSED APPROACH TO DEVELOPING BESPOKE CANNABIS PACKAGING AND AUTOMATION SOLUTIONS.



### **Contact Our Experts Now**

**t:** +44 (0)1460 269500 **e:** cme@cme-as.com **www.**cme-as.com

