

TruTrace Technologies Inc.

07:00 03 Jan 2020

TruTrace's blockchain-secured seed-to-sale cannabis tracking technology is a game-changer

TruTrace Technologies Inc (CSE:TTT) (OTCMKTS:BKKSF) has developed the first blockchain-secured platform to track intellectual property for cannabis. It provides mandatory testing, DNA-based product validation, and product guarantees for patients and customers.

The Vancouver firm channels the power of blockchain to fix the grim realities of corrupted supply chains in the medical cannabis industry.

"It's a combination of science, enterprise software, and blockchain technology," said TruTrace Technologies CEO Robert Galarza. "By focusing on granular genetic, chemical and contaminant data, as well as motion and movement information and then merging that into a blockchain we are able to provide real-time data on each product being purchased."

Galarza, a Renaissance man with tech credentials has a varied background. He's been a corporate attorney, movie producer, advertising executive and entertainment lawyer. He's even managed professional fighters and co-founded enterprise tech company Spark Digital Technologies.

WeedMD Inc (CVE:WMD) (OCTMKTS:WDDMF) and Harvest One Cannabis (CVE:HVT) (OTCMKTS:HRVOF) are big believers in TruTrace's StrainSecure technology. WeedMD just saw 40 of its cannabis strains undergo validation as part of a pilot program. Other firms participating in the TruTrace and Shoppers Drug Mart medical cannabis verification pilot program include Aphria Inc (TSE:APHA), Aurora Cannabis Inc (TSE:ACB), The Flowr Corp, Tilray Canada Ltd (NASDAQ:TLRY), United Greeneries, and Zenabis Global.

The firm's immutable, cryptographically secure technology is the brainchild of co-founder and chief technology officer Tommy Stephenson, who earlier developed enterprise software platforms for Microsoft and Mercedes Benz.

In an interview with Proactive, Galarza talked about how the firm's technology could be a game-changer for the industry by tracking cannabis from seed-to-sale, providing quality assurance and real-time testing data.

What prompted you to use blockchain to track cannabis strains?

Great question. Our team has an extensive background in large enterprise software and data centric projects, as well as supply chain and logistics. In other words, at our core we are data nerds who happen to love cannabis, and understand the issues around moving this product around the world.

When blockchain came onto our radar a few years ago, we knew that it could be an incredibly powerful tool in data management. Combining this with the immutable recording nature of blockchain also made it attractive as a protection method for intellectual property and creating a permanent lineage for cannabis strains; thus, TruTrace was born.

Price: 0.05

Market Cap: \$5.5 m

1 Year Share Price Graph



Share Information

Code: TTT

Listing: CSE

52 week High Low
0.13 0.025

Sector: Cannabis

Website: trutrace.co

Company Synopsis:

TruTrace is a full-service software company that builds technology to move and track products around the world. With the launch of its premiere product, StrainSecure, TruTrace has developed the first integrated blockchain platform, that registers and tracks cannabis intellectual property from genome to sale.

action@proactiveinvestors.com

My partner Tommy Stephenson has been developing some of the most phenomenal enterprise software platforms for companies like Microsoft, Mercedes Benz and even Major League Baseball for over two decades, and his passion and genius flows down into the team. Traveling to Seattle to visit the development shop is my favorite part of the job because there is almost a "Disney" feel to it. If we can dream it, our team can build it.

What can be done by cannabis producers to ensure customers trust what's in their weed?

It's all comes down to transparency and product education. The conversation about who is the first in the world to cultivate a "strain" or who owns the rights to a particular "strain" is less important than the clear understanding that what I'm buying today is the same as what it was yesterday, or at least I'm told if it is slightly different. Cannabis producers are doing an amazing job cultivating a variety of products and we can help communicate all that great work to those down the supply chain.

Is TruTrace a pre-revenue company and if so, what do you hope to achieve five years down the line in terms of revenue, and new customers that adopt the StrainSecure platform?

As of today, we are no longer a pre-revenue company. Our platform is operating at both enterprise and grassroots levels and that is exciting because we scale at all levels in all markets.

As for our five-year projection, we fully intend on being a fundamental part of the growth of the medical cannabis industry worldwide, as well as playing a significant role on expanding the recreational market. The fact is that transparency and testing will never be circumvented in this industry and if we can be a fundamental part of that process and the market continues to scale as projected, we will be a unicorn.

WeedMD was your first customer, how many companies and cannabis producers are now on the StrainSecure platform?

We are working with about ten major producers with several others getting finalized. Although our focus has been in Canada throughout year one, we're seeing some exciting momentum in South America and the US as well.

Would you describe TruTrace Technologies as a software company with a record-keeping system? Can your technology have applications in other industries?

You are spot on. We founded TruTrace in the cannabis space because it was such an area of need and it is a space where innovation is being supported heavily. However, blockchain-enabled traceability which derives from testing data could work in any industry and we fully intend on exploring opportunities that are best suited for our software, albeit in due course, because we don't want to spread ourselves too thin.

Blockchain Technology Corp and TruTrace Technologies Inc are not the only companies you have founded. You are also the co-founder of Spark Digital Technologies. It seems you have a degree in law, but are a serial entrepreneur. What attracted you to the digital technology sector?

I have a pretty diverse background to say the least. I've worked in the marketing and traditional media industries, practised law, produced feature films, as well as a music and film festival, managed professional fighters and been a part of technology development in sports, video distribution, supply chain and now cannabis.

However, what drove me into digital technology was innovation, efficiency and imagination-based creation. When developing in this sector you can look at a problem, imagine how to resolve that problem and develop practical systems to resolve it. Truly, there is nothing more exhilarating than brainstorming on a whiteboard with Tommy and the team and a few months later seeing it come to life.

Can you talk about inflection points for TruTrace?

The biggest inflection point in my opinion has been our relationship with Shoppers Drug Mart and Loblaws. I'm not sure

everyone fully grasps how much it means to have a company of their size, history and reputation in the medical cannabis industry.

Working alongside Shoppers changes the conversation about what our technology could mean for the industry because we are focusing on building a bridge between medical cannabis and the traditional medical industry, and that is a much larger divide than people like to discuss.

If we can help make cannabis a customary part of medical treatment, it could exponentially impact the trajectory of the industry in a positive way. The move brings medical cannabis closer in line with standards for other drugs.

What are your key markets and how do you expect them to shape up?

Right now, we are focusing on Canada the US and exploring some projects in Columbia and South America. With that being said, we are hearing amazing rumblings coming out of Europe for medical cannabis with traceability being a fundamental issue that needs to be resolved. All I can say is that the future is bright in all these markets.

Is it true that in California, TruTrace brought its StrainSecure technology to a cannabis water company by affixing QR codes on its bottles that customers can now scan to quickly learn about test results?

Yes, earlier this year we began working with NXT Water out of Los Angeles in the launch of their AKESO Hemp Derived Functional Fitness Water, which is in select stores and health clubs throughout Southern California. This relationship was actually born out of a blind test they performed on several leading CBD water products in the US market. They found most of the products fell well below the advertised amount of CBD, with some having none at all.

Alternatively, the AKESO product was consistently testing out at around 12 milligrams of broad-spectrum CBD per bottle and NXT wanted to find a way to communicate this to their customers. Hence, they turned to TruTrace and started using the StrainSecure platform. Today you can go into a market in California, pick up an AKESO, scan the verified StrainSecure QR code and see real-time testing data on the bottle you're holding in your hand.

What are the hallmarks of an innovative company and does TruTrace Technologies fit the bill?

The hallmarks for an innovative technology company is adoption at various levels of industry. A great idea without customers unfortunately will remain nothing more than an idea. What you need is adoption at varying levels and a pedigree to meet the standards of Fortune 500 companies so you can capitalize on opportunities.

We believe TruTrace has achieved this in our young history. From Shoppers Drug Mart and Deloitte, to WeedMD and NXT Water, we've found great adoption at many levels and we truly believe that sets us up for long-term success.

Contact the author Uttara Choudhury at uttara@proactiveinvestors.com

Follow her on Twitter: [@UttaraProactive](https://twitter.com/UttaraProactive)

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of TruTrace Technologies Inc. named herein, including the promotion by the Company of TruTrace Technologies Inc. in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).