

## **LEGALIZING CANNABIS** A CANADIAN ONLINE MEDIA LANDSCAPE ANALYSIS REPORT (PRE-LEGALIZATION)

REPORTING PERIOD JANUARY 1 - OCTOBER 17, 2018

### CISION

## **OVERVIEW**

In October 2018, recreational cannabis consumption will become legal in Canada for the first time in the nation's history. Leading up to this historic event, Canadian online news media has played a key role in sharing the leading stories and opinions related to how this significant decision will impact the lives, policies and financial performance for Canadian businesses, families and policy makers.

This report has been developed based on human interpretation and analysis of over 200,000 online news articles published by Canadian news media outlets between January 1 and December 31, 2018. Through this analysis, our research team has attempted to answer the following questions related to this topic:

- How much online Canadian news content was produced since the start of 2018?
- What brands appeared prominently in that coverage?
- What were the popular topics of discussion related to cannabis legalization?
- What was the tone of the coverage?
- Where, geographically, was content coming from?

Thank you for your interest in Cision.

#### **REPORT PERAMETERS**

This Cision Insights report is a summary of Canadian online news media content only, published between October 17 and December 31, 2018, focused on discussions related to cannabis legalization. The analysis is based on English and French media content.



# **KEY FINDINGS**



#### The top demographic producing content related to the legalization of marijuana in Canada was 25 - 34-year-old males

Just under 50% of all Canadian news media content published from January 1 to September 21, 2018 was created by individuals between 25 and 34 years of age (born between 1984 and 1993), with 65% of all online news content created by men.



#### Ontario was the top content producing province in Canada, where 68% of all mentions related to cannabis legalization originated

Top contributing Ontario based publications include CBC News, Global News, CTV News, The Globe and Mail, Toronto Star and Yahoo! Canada.



#### June 18 was the top content producing day, when Bill C-45 was passed by the Senate, legalizing the sale and use of marijuana

In a vote of 52-29, Canada's Senate passed the historic bill, legalizing cannabis on a national level, making Canada the second country to legalize cannabis nationwide, following Uruguay's lead.



### The LCBO was the most frequently referenced brand in Canadian online media coverage that referenced marijuana legalization

The LCBO was referenced in over 1,100 Canadian media articles related to cannabis legalization, and included news about the province of Ontario's decision to build new retail outlets for consumer purchases, as well as the decision to have Shopify manage online sales.



### Between Jan. 1 and Sept. 21, 2018, approximately 771 articles related to cannabis legalization was published online each day

With more than 200,000 mentions of the legalization of cannabis over the course of 263 days, publications were producing an abundance of coverage to the general public, averaging 5,479 mentions a week and nearly 24,000 mentions each month.



### Cannabis education, potential health risks and the impact of smoking on brain development were leading themes within Canadian content

Among the excitement and enthusiasm Canadian's have regarding the legalization of marijuana, online news media outlets also highlighted concerns related to the health benefits, risks and impact that smoking marijuana may have on the body and mind, especially among teens.



# **COVERAGE TRENDS**

#### January 1 - October 18, 2018



While more general terms such as "Cannabis", "Marijuana" and "Legal" were most prominent amongst articles related to 'Cannabis Legalization', other terms such as "Education", "Risks", "Development" and "Growth" provide valuable insights into the discussions within Canadian online news content related to this topic. Many of these terms appear and are discussed in prominent publications including The Globe and Mail, Toronto Star and CBC News. Important dates and details about the legalization of cannabis, while crucial for public knowledge, don't tell the full story. Mentions of the <u>health benefits</u> and <u>risks</u>, articles <u>educating the public</u> on various topics related to cannabis itself, and explanations of the <u>effects of the legalization</u> account for a significant amount of coverage when looking at content from the first 9 months of the year.

## MONTHLY COVERAGE



### **REGIONAL ANALYSIS**



#### **Published Articles (by Province)**

ON	BC	AB	QC	NS	MB	NB	SK	NL	NT	PE	ΥT	NU
137K	29K	13K	іік	2,621	2,371	1,867	1,699	694	279	270	124	12

With over 130,000 published online news stories related to 'Cannabis Legalization', Ontario dominated all other provinces and territories in content, producing nearly 5 times more articles than the next leading province, British Columbia.

Provincial content didn't exclusively focus on Ontario-centric stories, but rather, included a large volume of articles and posts related to the national cannabis conversation, including provincial breakdowns and analyses. Popular topics of discussion included the Senate passing <u>Bill C-45</u>, the potential <u>US border ban</u> for individuals who use or are linked to the cannabis industry and Ontario Premier <u>Doug Ford's</u> continuing impact on the cannabis market in Ontario.

# TONE OF COVERAGE

The following sentiment analysis is based on a human-curated, statistically relevant content review of all cannabis legalization articles posted between January 1 and September 21, 2018.

While positive coverage received the lowest amount of coverage, it did provide important insights into the benefits of cannabis legalization. Positive mentions centered around industry and market developments after bill C-45 was passed, including increased job creation by cannabis companies, the impact medical marijuana may have on certain insurance plans and new cannabis products, such as cannabis infused drinks by Molson Coors.



10%

POSITIVE

Overall, cannabis coverage in Canada was overwhelmingly neutral in the first 10 months of 2018. This is somewhat expected when it comes to Canadian news content, which tended to objectively report on key dates associated with legalization, policy and legislative developments and corporate performance. This content was typically presented with facts and figures regarding the progression towards legalization, rather than imposing personal views and opinions.



In comparison to positive Canadian coverage, negative online news stories were nearly doubled. This content primarily focused on concerns regarding the <u>lack of official</u> <u>research</u> related to the health impacts or adverse effects recreational cannabis use might have on recreational users, as well as the potential <u>border ban</u> on Canadian travelers threatened by the US Customs and Border Protection agency. Concerns regarding marijuana's potential <u>threat to</u> <u>teens and youth</u>, as well as addiction were also prevalent.



## TOP BRANDS

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LCBO	<b>1,142</b> Mentions
shopify	973 Mentions
MOLSON Cools	230 Mentions
Coca:Cola	120 Mentions
<b>KINE</b>	80 Mentions

Out of the top 5 brands, the Liquor Control Board of Ontario (LCBO) was most consistently mentioned throughout the monitoring period. From January 1, the LCBO was frequently discussed in regard to the sale of cannabis throughout Ontario, while the question of private versus public sale remained unanswered. Various developments throughout the year, including the provinces choice of <u>Shopify</u> to run online cannabis stores and the news of the new "<u>Ontario Cannabis</u> <u>Store</u>" significantly increased the frequency of LCBO mentions.

The majority of Shopify mentions occurred when the province of Ontario selected the eCommerce platform to run online cannabis sales in February and again later in June when B.C. made the same decision. Coverage of Shopify was generally neutral, with positive stories outweighing negative stories 12 to 1. As an already established business in Canada, positive mentions of Shopify praised the provinces' decision to choose a company that will provide a "reliable and integrated shopping experience" (The Star).

Molson Coors was first to announce their interest and possible involvement in the cannabis industry in July, while Coca-Cola followed suit in September, both in talks to produce cannabis infused drinks. Both companies are partnering with different cannabis companies, Molson Coors with <u>Hydropothecary</u> and Coca-Cola with <u>Aurora</u> <u>Cannabis</u>.

Mentions of the National Hockey League (NHL) come after now retired NHL player, <u>Riley Cote</u>, suggests the use of cannabis for pro athletes, specifically in regards to recovery after injuries such as concussions. <u>W. Brett Wilson</u>, minority owner of the NHL's Nashville Predators, praised the decision to legalize cannabis in Canada, providing further commentary on the several grey areas of the legalization, including the NHL's stance on cannabis consumption.

#### TOP NEWS ARTICLES BY ENGAGEMENT

	ARTICLE	AUTHOR	DATE	REACH	ENG.
TORONTO	<u>Canadians who smoke marijuana</u> legally, or work or invest in the industry, will be barred from the U.S.: Customs and Border Protection official	Daniel Dale	Sept. 13, 2018	8.5M	98.6K
	<u>Senate passes pot bill, paving way</u> for legal cannabis in 8 to 12 weeks	Peter Zimonjic	June 19, 2018	23.6M	78.8K
	<u>Trudeau says pot will be legal as of</u> <u>Oct. 17, 2018</u>	John Paul Tasker	June 20, 2018	23.6M	41.8K
Global	Marijuana legalization Bill C-45 officially passes Senate vote, heading for royal assent	Monique Scotti	June 19, 2018	8.9M	41.1K
	Spike in cannabis overdoses blamed on potent edibles, poor public education	Katie Nicholson	August 28, 2018	23.6M	31K
	<u>Doug Ford wants free market for</u> cannabis in Ontario	-	March 13, 2018	21.2M	29.1K
NOUVELLES	<u>Vous pourriez être payé 50\$ de l'heure pour tester du cannabis</u>	-	Sept. 20, 2018	1.2M	19.5K
NEWS	<u>Senate passes cannabis legalization</u> <u>bill in final vote</u>	Rachel Aiello	June 19, 2018	6.8M	18.5K
Global	<u>Coca-Cola reportedly in talks with</u> <u>Aurora Cannabis to make infused</u> <u>drinks</u>	Reuters	Sept. 17, 2018	8.9M	18.2K
NOUVELLES	<u>Québec cherche 300 vendeurs de pot</u>	Annabelle Blais	May 16, 2018	1.2M	18K



# **NEWS HIGHLIGHTS**

#### > thestar.com <

Canadians who smoke marijuana legally, or work or invest in the industry, will be barred from the U.S.: Customs and Border Protection official

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"Canadians will be barred from entering the United States for smoking marijuana legally, for working in Canada's legal marijuana industry and for investing in legal Canadian marijuana companies, a senior U.S. Customs and Border Protection official says."

The Star, Daniel Dale - September 13, 2018



#### Spike in cannabis overdoses blamed on potent edibles, poor public education

"Although Health Canada doesn't have plans to make edibles legal for another year, they are already widely available and Szabo said many consumers don't understand how they work. One problem is that people sometimes eat more of a cannabis product when they don't feel an immediate strong effect."

CBC News, Katie Nicholson - August 28, 2018



#### Ontario will rely on private sector to sell recreational cannabis

"The move scraps the defeated Liberal government's plan for 150 brick-and-mortar Ontario Cannabis Stores, modelled on LCBO outlets, by 2020. However, until a private retail system is in place, the OCS website will be the only legal source for recreational pot smokers in Ontario after cannabis use is legalized nationwide on Oct. 17."

The Star, Rob Ferguson & Mitch Potter-August 13, 2018



Coca-Cola reportedly in talks with Aurora Cannabis to make infused drinks

"The discussions over a possible product tieup, reported by Canadian financial channel BNN Bloomberg, could open a new front in Coke's battle to overcome sluggish demand for its sugar-heavy sodas by diversifying into coffee and health-focused drinks."

<u>Global News</u>, Reuters - September 17, 2018



Vous pourriez être payé 50 \$ de l'heure pour tester du cannabis

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«Les six futures recrues formeront un 'comité de sélection' qui devra 'évaluer ce que les producteurs canadiens ont de mieux à offrir'. La société travaille pour un producteur agréé, Solace Health, dont elle est chargée de promouvoir et distribuer la production [...] Avec la légalisation prochaine du cannabis au Canada, le 17 octobre, 'les Canadiens (allaient) être submergés par un tsunami» de variétés.'»

TVA Nouvelles, Agence France-Presse -September 20, 2018



#### Shoppers Drug Mart gets medical pot license from Health Canada

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"'As trusted medication experts, we believe pharmacists have an important role to play in the safe and informed use of medical cannabis, and this is the first step in our journey to provide medical cannabis to our patients,' said Loblaw spokesperson Catherine Thomas in an emailed statement."

<u>CBC News</u>, The Canadian Press - September 21, 2018

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## **LEGALIZING CANNABIS** A CANADIAN ONLINE MEDIA LANDSCAPE ANALYSIS REPORT (POST-LEGALIZATION)

REPORTING PERIOD OCTOBER 17 - DECEMBER 31, 2018

# **KEY FINDINGS**



#### Ontario was the top content producing province, accounting for 36% of all mentions related to cannabis post-legalization.

Top contributing Ontario based publications include The Globe & Mail, Toronto Star, Global News, CBC News, HuffPost Canada, and Ottawa Citizen.



#### October 17 was the top content producing day, when cannabis officially became legal in Canada.

After many months of anticipation, recreational marijuana sales and use finally became legal on the 17<sup>th</sup> of October. Coverage on this day referenced the unbelievably high demand throughout the country, leaving some provinces scrambling to keep up.



#### Canada Post was the most frequently referenced company in online coverage that related to marijuana legalization.

Canada Post was mentioned in over 2,000 Canadian online news stories related to cannabis legalization, specifically discussing the national postal workers' strike that hindered online cannabis order fulfillment, as well as a privacy breach that impacted nearly 4,500 Ontario online cannabis costumers.



#### Between Oct. 17 and Dec. 31, 2018, approximately 180 mentions of cannabis legalization appeared in online news coverage each day.

With more than 13,000 mentions of cannabis legalization over the course of 75 days, coverage related to cannabis legalization actually declined by over 300%, versus monthly coverage volumes from before legalization.



#### One of the top criticisms featured within post-legalization coverage related to Ontario residents being limited to online orders only.

In August 2018, it was announced that Ontario Cannabis Stores would limit the sale of legal cannabis to online orders only (brick-and-mortar locations would not be open until April 2019), leading to public outcry and criticism that Ontario was the only province to feature this condition.



# **COVERAGE TRENDS**

#### October 17 - December 31, 2018



In Canada, cannabis media coverage saw a major spike on the day of legalization, followed by subsequent spikes of media coverage in the second half of December 2018. While pre-legalization coverage focused mainly on important dates and details surrounding upcoming decriminalization (along with mentions of health benefits, risks and education campaigns), post-legalization news coverage shifted to focus more on financial and supply chain issues, marijuana sales, corporate partnerships, industry regulations and product shortages. Additionally, various studies were conducted in the months following legalizing, including reports that showed no significant spike in impaired driving, waste water tests across major Canadian cities which illustrated a higher consumption of cannabis than publicly reported, and expert opinions warning of the positive effect that allowing municipalities to <u>opt out of retail cannabis stores</u> would have on the black market. While coverage before legalization primarily relied on speculation, theories and educational hypotheses, post-legalization coverage tended to feature true consumer data and statistics to support various industry arguments and claims.

# COVERAGE HIGHLIGHTS CISION

October 17, 2018: Cannabis is officially legal in Canada, which results in long lineups across provinces with retail locations. Discussions related to the price of legal cannabis continue, explaining that it still needs to compete with black market prices.

October 20, 2018: The Ontario Cannabis Store (OCS) reports that they received over 100,000 online orders within the first 24 hours of legalization.



## **REGIONAL ANALYSIS**



#### Published Articles (by Province)

	ON	BC	SK	AB	MB	QC	NS	NL	PE	NB	NT	ΥT	NU
Mentions	4.9K	2.9K	734	669	558	331	293	144	61	20	1	1	0

Ontario continued to lead all other provinces and territories in both volume and potential audience reach in regard to cannabis legalization coverage. However, the gap between Ontario and the next leading province, British Columbia, significantly decreased after Oct. 17. Much like pre-legalization coverage, Ontario's content featured a wide array of both provincial and national topics, ranging from issues with the Ontario Cannabis Store and Canada Post to features about specific provinces, including <u>British</u> <u>Columbia</u>, <u>Manitoba</u>, <u>Alberta</u>, and <u>Quebec</u>. Other popular coverage topics included a report from <u>Statistics Canada</u> highlighting the cannabis store sales from the first two weeks of legalization, which totaled \$43 million nationwide, and mentions of <u>fines</u> and <u>tickets</u> issued over cannabis related incidents, as well as the various partnerships forming within the cannabis industry.



# TONE OF COVERAGE

The following sentiment analysis is based on a human-curated, statistically relevant content review of all cannabis legalization articles posted between October 17 and December 31, 2018.



Positive news stories saw a slight increase in post-legalization coverage. Primarily, positive coverage mentioned the very simple fact that <u>cannabis is now legal in Canada</u>, which could likely influence other countries to follow suit. Other favourable coverage ranged from new corporate partnerships within the cannabis industry, including <u>Budweiser</u> and <u>Labatt</u> with Tilray, to the many "firsts" in post-legalization Canada, such as the <u>first legal cannabis purchase</u> and the <u>first licensed cannabis</u> <u>retail store</u> in B.C..



Keeping with the trend of pre-legalization coverage, neutral content was once again the majority for post-legalization coverage. Mentions were highly informational, with stories detailing the happenings of the first day of legalization and reporting on general cannabis sales, as well as the profits of major cannabis companies such as <u>Aurora</u>. While information was still educational, post-legalization neutral coverage focused heavily on informing the public about safety, both personal and <u>in the workplace</u>, as well as outlining <u>regulations</u> and <u>privacy concerns</u>.



While negative content did slightly decrease in postlegalization coverage compared to coverage pre-cannabis legalization, it still outweighed positive coverage. Negative coverage heavily focused on <u>fines and tickets</u> that were issued in relation to cannabis related incidents, such as driving while in possession of unsealed cannabis, as well as driving under the influence of cannabis. Additionally, mentions of the Canada Post <u>privacy breach</u>, along with stories about <u>moldy</u> <u>marijuana</u> being sold in British Columbia and Ontario were prominent topics of discussion within negative coverage.

# TOP BRANDS



#### TOP NEWS ARTICLES BY ENGAGEMENT

	ARTICLE	AUTHOR	DATE	REACH	ENG.
NEWS	Nine-year-old sells out of Girl Guide cookies in front of cannabis store on first day		Oct. 18, 2018	6M	149.7K
	Edmonton Girl Guide sells out of cookies in cannabis store lineup	Andrea Ross	Oct. 18, 2018	19.4M	135.3K
	Winnipeg's 1st ticket for toking in a car issued 1 hour into legalization	-	Oct. 17, 2018	19.4M	118.9K
Global	<u>Canadians with past pot convictions</u> won't have to pay or wait to apply for a pardon	Amanda Connolly	Oct. 17, 2018	9.9M	107K
NEWS	Winnipeg, Ontario police hand out tickets for cannabis in vehicles	Josh Dehaas	Oct. 17, 2018	6M	37.3K
Global	<u>Girl guide sells out of cookies in front of</u> Edmonton cannabis store on 1st day	Colette Derworiz	Oct. 18, 2018	9.9M	34.8K
NEWS	Scheer won't commit to keeping cannabis legal if Tories form government	Rachel Gilmore	Oct. 18, 2018	6M	23.8K
Global	Mandatory impaired driving laws to hit the roads before holidays	Meaghan Craig	Dec. 11, 2018	9.9M	21.2K
Global	<u>Canadians spent \$43M on cannabis in</u> first two weeks after legalization: <u>StatCan</u>	The Canadian Press	Dec. 21, 2018	9.9M	20.9K
	<u>Cannabis is legal in Canada — here's</u> what you need to know	Patrick Butler	Oct. 17, 2018	19.4M	20K



# SAMPLE COVERAGE

#### THE GLOBE AND MAIL\*

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Canada Post admits thousands of Ontario cannabis buyers' information breached

"Ontario's only legal outlet for recreational cannabis said it was notified last Thursday by Canada Post that someone had gained access to information such as postal codes and the names or initials of the adult who signed for the delivery of the marijuana. Other data such as the name of the person who made the order the full delivery address or payment information were not affected, the OCS statement said."

The Globe and Mail, Mike Hager – November 7, 2018



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Allowing municipalities to opt out of pot shops helps black market, say experts

"'Unfortunately, it's turned out to be just a comedy of errors,' said Anindya Sen, an economics professor at the University of Waterloo who specializes in the cannabis industry. 'When you take (those things) together, it's possible that despite being legalized, Ontario might become one of the biggest black markets in the world."

Toronto Star, Paola Loriggio – December 20, 2018



#### Shoppers Drug Mart granted licence to sell medical marijuana online

"A website has been set up by the company, which says that patients "with a valid medical document will soon be able to purchase a wide selection of medical cannabis products" from Shoppers.[...] Shoppers has said that it has no interest in producing medical cannabis, but the licence is required in order to sell the product to patients."

CTV News, The Canadian Press – December 8, 2018



"

Health Canada releases draft regulations for edible cannabis products

"The draft regulations, released Thursday by Health Canada, propose three new classes of cannabis: edibles, extracts and topicals – and includes a hard cap on the amount of THC these products can contain. No package of edibles would be permitted more than 10 milligrams of THC, while extracts and topicals could not exceed 1,000 milligrams of THC."

The Globe and Mail, Teresa Wright – December 20, 2018



Labatt Green? Brewery, B.C. pot producer team up on booze-free cannabis drinks

"AB InBev, the brewing behemoth that owns scores of brands worldwide, including Kokanee and Budweiser, says it has reached a deal with B.C.-based Tilray to research non-alcohol beverages with cannabis compounds tetrahydrocannabinol (THC) and Cannabidiol (CBD)."

Global News, Simon Little – December 19, 2018



"

Privacy watchdog says legal cannabis buyers should use cash, not credit

"In a statement posted on his website, Privacy Commissioner Daniel Therrien says pot sellers and buyers need to better understand their privacy rights and obligations and has suggested a number of guidelines. 'Cannabis is illegal in most jurisdictions outside of Canada. The personal information of cannabis users is therefore very sensitive,' Therrien said."

Toronto Star, The Canadian Press – December 18, 2018

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