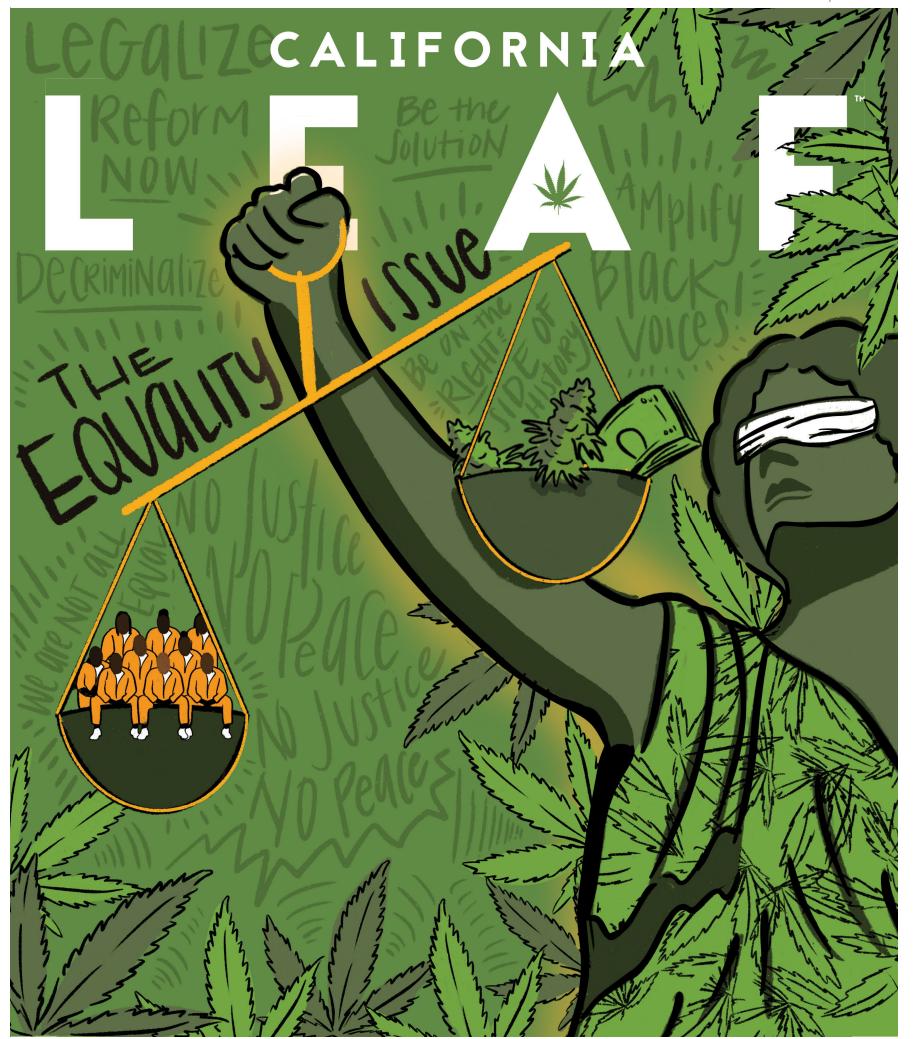
THE ENLIGHTENED VOICE #4 | AUG. 2020



FEMALE OWNED AND OPERATED CANNABIS COMPANY // MANUFACTURING & DISTRIBUTION //



ANNIE HOLMAN

CO-FOUNDER | CEO & CMO

WHAT IS THE ORIGIN STORY OF THE GALLEY?

My background was originally graphic design and marketing, so I had a small design firm for 25 years. I got burnt out doing that, sitting in front of my computer, and wanted to do something else. I got lucky because one of my longtime clients owned an insurance company, and she started to write insurance for Cannabis.

She and I got together and decided to make a brand this was in the Prop 215 days. She actually won a chunk of change at the Kentucky Derby and we opened a little bakery with it. The bakery was called Derby Bakery. We had medical cookies and basically had a lot of really good traction throughout the state because we were one of the first brands to put high-end CO2 oils into cookies.

We were able to produce really nice white chocolate, lemon, macadamia nut, toffee and roasted pecan cookies - thick, chewy, bakery-style cookies that actually tasted good. We won 2nd Place at the Emerald Cup for our lemon cookies and 8th Place for our peanut butter cups.

When Prop [64] passed, we were down in Petaluma and they were not Cannabis friendly. We had to shut down the bakery. I was searching for buildings and I quickly realized that every cent of the three million dollars I fundraised was going to have to be put toward buying a building. I actually got very lucky because I met my current business partners at a trade show in Oakland, totally randomly.

We started talking and she said she had a building in Santa Rosa and wanted to get into Cannabis, but didn't know anything about it. I was there the very next day that's how we put this together. We originally planned to do extraction and share space, where a brand could come in and rent the space.







But, when I started traveling around to all the events and talking to brands, I realized two things really fast: We didn't need to do extraction because there were so many great people already doing it in Santa Rosa, and no one wanted to rent our space. Everybody just wanted us to make the products.

Once we figured that out, we had to figure out what we were going to manufacture. We have an 8,300 square foot building, and in that building we have five areas of production. All of these areas have high end, high output equipment - as the idea is to not have to do things by hand as much. We have a commercial kitchen for edibles - double roll rack oven, range - anything imaginable in a commercial kitchen. Next door we have a dedicated beauty product room, including topicals and tinctures, complete with emulsion blenders, bottle fillers, etc.

In the back of the plant we have two rooms that are our candy rooms. One of those contains the candy machine for gummies, hard candies and caramels. And in the second room we have a chocolate machine that makes everything chocolate: chocolate bars, chocolate in molds, chocolate covered grasshoppers. Completely automated.

WOULD YOU COMPARE THE FACILITY TO THE WILLY WONKA FACTORY OF CANNABIS

MANUFACTURING? You could say that!...It's a dream that took two years to put together. We can pack flower, process pre-rolls, as well as vape pens. Our distribution license allows us to perform fulfillment for our clients.

We will either take the products to the dispensaries or hand them off to the delivery services. We might eventually hire some salespeople, but we have to get the manufacturing all dialed in first. We just got our licenses in April and we have 15 employees. With Covid-19 it has been a little challenging, I won't lie, but we have a wonderful Director of Operations and she set up our plant to be very secure. We have strict, stringent rules in place: everyone wears a mask and we have hand sanitizer everywhere. In the beginning of Covid-19, we decided to pivot because we hadn't gotten our Cannabis licenses yet, so we decided to make hand sanitizer. That felt really good, because we were able to help out our community.

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WHO IS YOUR CLIENTELE? We have a myriad of different clients. The type of client that is particularly important to me is one that is considered a legacy brand. They've taken all the risk, paved the way and were booted off the shelves [when Prop 64 passed]. We're trying to work hard to get them back on the shelves. I have a lot of good sources from years of being in the packaging and design industry, and do my best to pass them on to clients.

WHAT ARE THE FUTURE PLANS FOR THE FACILITY?

We sit on two pieces of property, and have our offices on the second piece. We have enough space there to build a second building, so eventually we will expand.

We also built an event center. Our original plan here pre-Covid was to have all types of events here, in our repurposed shipping containers. We planned to have nonprofit events, educational events, all sorts of things. We had a couple already that were super successful. I'm a cofounder of a women's Cannabis networking group called Bloom - we had our first event for that here.

WHAT TYPE OF A LEADER ARE YOU? My general overall way of looking at this business is that it's about the people first, always. I feel strong about building long term partnerships with people, and also with the other manufacturers out there. I firmly believe in collaboration, not competition. A lot of the brand owners ask, 'What's most important to you?' And I say, 'You are.'

I have one other woman partner, and so I really value all of

my people and their opinions. We have lots of meetings where everybody gets to contribute and collaborate, and my door is always open. I've seen too many companies where the person at the top is scary and that just doesn't work.

It filters down from the top. I'm super transparent with people, but I like that about myself, so I'm not going to change. I'm radically honest, which works for me 80% of the time. I really try to connect people with the right people, and to help others because people are always helping me.

This industry is particularly similar, which means a lot and is super gratifying to me. It all ties back to when I had my medical bakery and was helping patients with my cookies.

CAN YOU TELL ME MORE ABOUT BLOOM, THE CANNABIS NETWORKING GROUP? Formerly a

Women Grow chapter, we came together as a networking group for women - although some guys show up and that's fine too. We basically get together and support each other and have speakers come in who we find helpful. It's all volunteer-based. We used to meet at a local restaurant that would sometimes provide food, but we're going to change the format to meet here in a potluck style gathering.

We meet once a month with a speaker, and there's a big group of women here in Sonoma County that are absolutely amazing. I want to be able to continue to support this group of people. If they're experiencing some of the same hurdles I am, being able to help to solve some of those things leaves me beaming at the end of those gatherings. It's mostly about networking and a little bit about information, but a bit more casual. We bloom together.

DO YOU HAVE ANY ADVICE FOR YOUNG WOMEN WITH CREATIVE IP OR AN INTEREST IN BUSINESS, BUT NOT EXPERIENCED WITH FINANCIAL PLANNING OR FUNDRAISING?

Find yourself a mentor. I'm actually at the place where I'm looking around for a few people to mentor.

I have a mentor that I talk to from 8:30-9:00 a.m. every day. He's actually a man, and he's amazing. He helps me through everything. Find yourself a mentor for whatever you need - there's tons of women in this industry who would be willing to do that. Finding the right fit is critical.

And get involved with organizations like Bloom, because that's also how you can meet and connect with the right people. Don't be afraid to take a risk - this industry is generally a little nutty - but women are really good problems solvers.

We can pivot, and we do all this calmly. If this were easy, everyone would be doing it. If you're here, you made it. Find a way to hang on. If you want this, your place will become obvious and it will come to you.

This industry is just now getting going.

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