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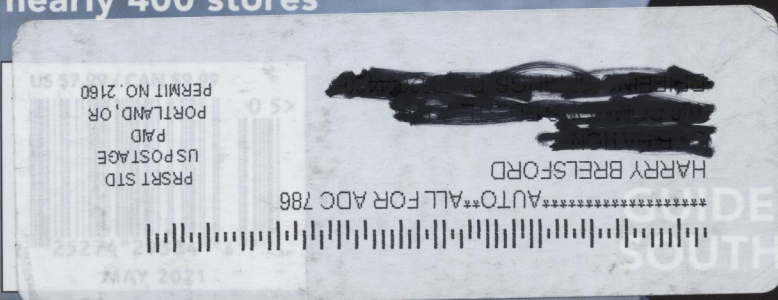
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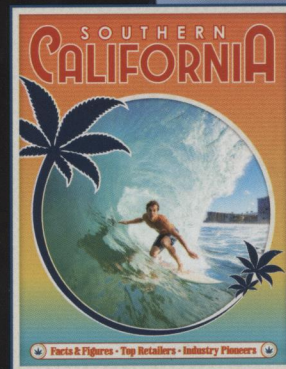
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What is an MSP and why should you care?

BY HARRY BRELSFORD

A managed service provider (MSP) is a technology professional who provides solutions and services to clients. It's a rebranding of the "computer person" you've seen running around for years fixing printers, rebooting servers and replacing laptops. But the tech industry loves acronyms and new titles, so now this individual is an MSP.

Before proceeding, understand that you must manage your technology in the cannabis segment for several reasons, including productivity, security and compliance. Technology doesn't just manage itself.

WHY USE AN MSP?

MSPs typically work on a shared-risk monthly contract. That is, for a certain monthly fee, the MSP will take care of your dispensary's technology needs from A-to-Z (or turn-key service). This locks you, the customer, into a known information technology (IT) spending amount and removes the billable hour creep of yesteryear. The MSP is estimating that for a monthly fee, they can monitor, maintain and secure your technology assets while making a modest profit.

The benefit of engaging an MSP for your cannabis-related business is "returns due to specialization." Basically, you do what you do best (run a cannabis business) and the MSP does what they do best (being a technology geek). You have more time to focus on revenue-generating activities while not getting duped into the technology time suck of trying to do the IT themselves.

Essentially you are outsourcing your IT function instead of hiring an in-house IT professional and paying them a salary. For a small-and-medium business (SMB), this is the most efficient path. And as a bonus, today's MSPs largely work remotely with remote monitoring and management (RMM) tools so as not to interrupt your business. This area of IT management has really improved over the last decade.

NOT ALL MSPS ARE ALIKE!

The technology field is analogous to health care with generalists and specialists. There is a time and a place for both. Typically, any SMB (including cannabis-related entities) can use a generalist for much of their IT management needs. However, I believe vertical knowledge of the cannabis industry is important for any MSP you work with. That's because cannabis has unique technology workloads starting with compliance and unique physical/cybersecurity requirements. Speaking for myself, if I were a cannabis business owner, I'd like to have someone who can "talk the cannabis vertical talk" working for me.

In the MSP arena, there are several specialties. Two examples are traceability providers and point-of-sale (POS) systems. In tracking the cannabis technology ecosystem, I've seen the seed-to-sale and POS independent software vendors (ISVs) do a good and bad job of managing what I call the last six feet of the cannabis technology supply chain down to the POS device. Some, like Chicago-based Point of Sale Remarketing Group, specialize in cannabis POS. Other ISVs don't focus enough on the POS function and that's why so many dispensary owners are less than happy with their retail solution (true stories here).

The bottom line is that an MSP generalist should be teaming up with other technology professionals focused on completing the tasks at hand. My traditional, non-cannabis MSP audience is focused on technology infrastructure (cloud, security, storage, printing, backup, etc.) and will often team with a POS specialist from the Retail Solution Provider Association (www.gorspa.org) to provide the best service to the dispensary owner. This trend of specialists teaming up to help the customer is called partner-to-partner and is one of the positive developments in my industry.

FOCUS ON LUIS ALVAREZ

A leading MSP in cannabis technology is Luis Alvarez, founder of California-based Alvarez Technology Group. Alvarez leveraged his domain expertise in agriculture to provide technology services and solutions to the cannabis segment. His practice spans the entire seed-to-sale technology supply chain and he is best known for his expertise in Internet-of-Things (IoT) technologies for cultivators. This is the type of MSP you should be engaging with if you are serious about your cannabis business.

HOW TO HIRE AN MSP

Hiring an MSP is like hiring any other professional service provider and you can easily search for hiring guides online. But this is a very important here, so here a few things to consider from the start.

Before meeting the candidate:

- Do your due diligence and research the MSP.
- Do they have a professional website with team members profiled?
- Do they articulate a unique value proposition?
- Do they list the cannabis segment as one of their verticals?
- Do they have industry certifications and awards?

During the meeting:

- If possible, go to their office to meet so you can see how they run their business.
- How long has the company been in business?
- How many employees? You'll want to make sure they have "coverage," so you don't suffer any downtime in your operations.
- Do they offer 24/7 technical support?
- Do they have a customer portal to create trouble tickets?
- Ask them how they handle asset management?
- How is your critical data protected, secured and backed up?
- What does the monthly report you will receive look like?

After the meeting:

- If they have cannabis vertical expertise, ask to speak to one of their top clients as a referral source.
- Remember, it's important to manage your technology like your cannabis entity depends on it. Because it does!

Harry Brelsford is the founder of 420MSP, a community of managed services providers and IT service providers that target the cannabis industry. Brelsford is a longtime Seattle-based technology entrepreneur. He can be reached at harrybrelsford@gmail.com or 206-201-2944. Visit www.420msp.com.

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