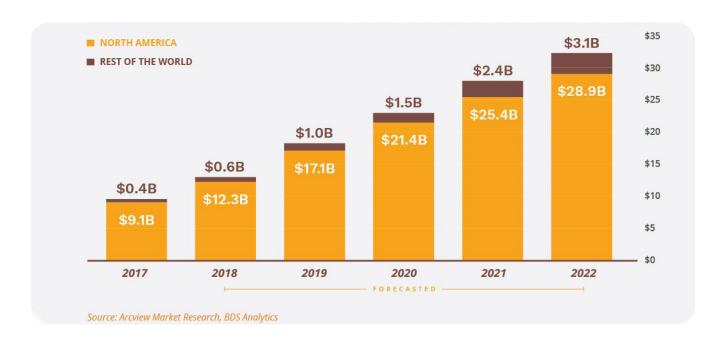


CASE HISTORY

The cannabis market in North America was valued at **USD 12.3 billion in 2018** and is expected to reach USD 28.9 billion by 2022.





Cannabis is very commonly used by cosmetic, pharmaceutical, and food and beverage industries. However, recently, the market has been witnessing exponential growth despite companies are facing growing demand and **frequent legal changes** in those countries that have legalized cannabis.



The market has expanded over the past few years in North America as U.S. states (33 today, including the District of Columbia) have legalized cannabis for medical, recreational, or both purposes. This has supported the **multiplying of business startups** and has further driven the market to a mature stage.

Very few states in the USA have legalized its usage for recreational purposes intending to try to eradicate the black market, and have introduced **very restrictive legislation** for the securing of the manufacturing and retail facilities, as well as the personnel.



ProTerp is a cannabis manufacturer holding a type 7 license:

the manufacturer can conduct extractions using volatile and nonvolatile solvents or mechanical methods, as well as by infusion operations, and can pack and label cannabis products.

ProTerp Manufacturing creates industry-leading volatile concentrates that have been tested by esteemed cannabis testing laboratories for purity, potency, consistency.



Here is a quick overview of the company's products:



LIVE and CURED RESINS

This is one of the most flavorful types of concentrates. Through precise temperature control, correct storage methods, and expert knowledge of cannabis biomechanics, ProTerp can manufacture the finest live and cured resins.

DISTILLATE



Distillate oils provide a clean and potent product with limitless application potential. It stands alone as a product that can be vaporized and can be also mixed with other types of cannabinoid mixtures.



THE CHALLENGE

Every company that manufactures cannabis products must obtain and maintain a valid manufacturer's license from the Department of Health, following the law of the State. In particular, the State of California, where ProTerp has its headquarters, drafted legislation that examines in depth the risks for security and subsequently establishes **strict parameters for the protection of facilities**, **employees**, **and goods**.

Every licensee develops and implements a written security plan to prevent access to the manufacturing location by unauthorized persons and protect the physical safety of employees:

- 1. A monitored burglar/hold-up alarm system is required to notify and report incidents where physical barriers have been breached;
- 2. Visitors and suppliers must enter the facility through a secure lobby, and a sign-in/sign-out procedure for authorized personnel must be established and maintained;
- 3. Premises must be controlled in such a state that allows the visibility and security monitoring of the interior and exterior of the facility;
- 4. Procedures establishing protocols for the investigation of suspicious activities are required.



Moreover, the legislation of California explicitly includes video surveillance among the minimum criteria for obtaining a license. Installed in a position that prevents intentional obstruction, tampering or disabling, cameras should monitor:

- 1. Areas where cannabis or cannabis products are weighed, packed, stored, quarantined, loaded and unloaded for transportation, prepared, or moved within the premises;
- 2. Limited-access areas;
- 3. Security rooms;
- 4. Areas containing surveillance-system storage devices, which shall contain at least one camera to record the access points to such an area;
- 5. The interior and exterior of all entrances and exits to the premises.

Furthermore, the surveillance system must **record continuously 24 hours per day with a 90-day retention period**, and any on-site surveillance system storage devices shall be located in secure rooms or areas of the location in an access-controlled environment.

Finally, all licensees are responsible and subject to discipline for any violations of the video surveillance requirements.

Prevention of theft and loss of cannabis products is a responsibility of the manufacturer that should:

- 1. Establish an inventory system to track cannabis and cannabis products and the personnel responsible for processing it throughout the manufacturing process;
- 2. Limit access of personnel within the premises to those areas necessary to complete job duties:
- 3. Supervise tasks or processes with high potential for diversion, (including the loading and unloading of cannabis on vehicles).





THE SOLUTION



Connected Surveillance, a system integrator based in Gold River, California, has experience providing services to the cannabis industry dating back to 2009. Using a CPTED (Crime Prevention Through Environmental Design) approach to security, Connected Surveillance was able to work with ProTerp to find a security solution that complies with or exceeds the Local and State regulations.

In addition to providing the alarm system and card access system for ProTerp, Connected Surveillance designed and implemented a Video Assessment and Surveillance System using the Arteco platform. Arteco allows for a complete solution, integrating multiple camera manufacturers and devices. Arteco is a company known in the field for its reliability, intuitiveness, flexibility, and reasonable price.

HARDWARE



Robust and powerful, **Arteco 7000** is the 19" rack-mountable industrial surveillance server ideal for those who need to manage IP video surveillance designed for medium to large installations that require high performance and reliability. Arteco 7000 can handle IP video sources from

all major international manufacturers and is compatible with ONVIF ™ and RTSP devices.

SOFTWARE



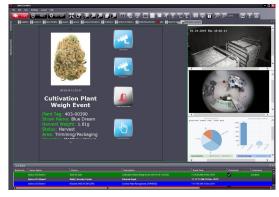
Created to secure medium-to-large sized venues, **Arteco Active** runs an **arter** unlimited number of servers, cameras and devices installed in different ACTIVE venues: it is the right solution for monitoring extensive systems.

The research and resolution of events are simple and immediate with the dynamic maps and the advanced video analysis features in Arteco Active.

It results to be particularly effective if installed in museums, hospitals, institutional buildings and production plants, and, with the implementation of Arteco Video Wall, provides control rooms with an incredible tool for assessing events in real-time and sharing data and videos immediately.

RELIABILITY AND SUPPORT

Arteco supplies the most advanced **Video Management Software** and ensures the **highest level of support** to end-users and integrators. The openness of the Arteco's platform allows for the integration of a wide range of security devices and systems, as well as a highly esteemed capability of managing non-security devices. This means that Arteco can incredibly increase situational awareness letting the facility and security manager keep control over the whole monitored



Support is crucial for the relationship Arteco builds with the other players. Indeed, the **made-tomeasure approach** is the Arteco's biggest plus, facilitating the pre-sale and post-sale procedures and accompanying clients in all the phases of creation, installation, and use of their security system.

