

LDB Direct Delivery Program: Frequently Asked Questions

Last updated September 7, 2021

1. Why is direct delivery only eligible to B.C.-based producers that produce up to a maximum of 3,000 kilograms, annually?

The intent of the direct delivery program is to support small-scale cultivators in B.C. The maximum eligibility threshold of 3,000 kg of annual production (which is approximately equivalent to 1000m² of indoor canopy or 10,000 ft² of outdoor canopy) captures smaller producers with different approaches to cultivation.

2. Are nurseries and cultivators interested in directly delivering only plants and seeds exempt from the eligibility threshold of 3,000 kg of annual production?

Yes. There is no production limit for nurseries and cultivators only directly delivering plants and seeds.

3. Why will direct delivery not be available until the Fall of 2022?

We understand that industry is eager to participate in direct delivery and we are working as quickly as possible to implement the program; however, it will take time for the LDB to setup the required business processes and systems to support the program.

4. Will cannabis plants be eligible for direct delivery?

Yes, cannabis plants that are purchased from a processor, cultivator or nursery that is registered with the LDB are eligible for direct delivery. In turn, licensed retailers will be able to sell these plants to consumers.

5. Are processors required to register all products with the LDB before they can be sold via direct delivery?

Yes, all products sold via direct delivery must be registered with the LDB. The processor must also maintain price and product attributes with the LDB.

6. How do cultivators apply for direct delivery and how long will it take until they can start selling my product?

Once a cultivator is eligible and registered for direct delivery with the LDB, it is expected to take less than four weeks from the time a complete and accurate product application is received until registered product can be directly delivered. Cultivators intending to deliver product other than plants and seeds must partner with a processor that is registered with the LDB.

7. How do I get started with the direct delivery program?

The development of the direct delivery program is still underway; however, the LDB will be providing information directly to cultivators, processors, and licensed retailers as soon as it becomes available. In the meantime, please submit questions to the LDB directly at: directdelivery@bcldb.com.



8. As a processor, I'd like to directly deliver product to local licensed retailers and have LDB distribute to other, non-local retailers. Is it possible to have dual distribution channels for the same product?

Yes, eligible, registered product may be distributed via both distribution channels (LDB central delivery and direct delivery). For products that are registered and set up for 'dual distribution' the licensed retailer must choose which delivery source to order from and the terms of that channel will apply (returns, payment, etc.) For products to be delivered via LDB central delivery, an application must be submitted by the processor and the product must be approved and listed by the LDB Category Managers. Approval by the LDB Category Managers is not required for directly delivered products; however, directly delivered products must still be registered with the LDB.

9. As a processor, can I provide volume discounts or preferred pricing to select licensed retailers?

All product must be sold at the wholesale price that is registered with the LDB at the time of sale. Preferential pricing for a particular retailer or for a particular distribution channel (in the event that the product is distributed via dual distribution) is not permitted.

10. As a processor, can I deliver product on behalf of multiple cultivators?

There are no restrictions on the number of eligible cultivators that processors can work with; however, each product SKU may have only one associated cultivator and processor. If the cultivator changes, a new SKU must be registered with the LDB.

11. As a processor interested in the direct delivery program, what information do I need to provide to the LDB in order to participate?

The program development is still underway; however, the LDB will provide program and application information as soon as the details are finalized.

12. How will processors be required to report sales to the LDB?

Processors will be required to report their direct delivery sales to the LDB on a weekly basis and at the SKU and store level. The direct delivery program is expected to launch in Fall 2022 with an interim order, fulfillment, and reporting process in place, with the intent to transition to a centralized ordering and reporting model in the future. Details on the ordering and reporting process will be shared once finalized.

13. As a processor, what do I do if I have problems collecting payment from a retailer that I direct deliver to?

Processors must work directly with retailers in terms of payment, communication, order fulfillment, and product returns and recalls. Late or missed payment issues must be resolved directly between the processor and the retailer; the LDB is not responsible.

14. As a cultivator interested in the direct delivery program, can I partner with any processor? Does the processor have to be in B.C? Can I use multiple processors?

To support BC cultivators' access to market, there is no current requirement for the processor to be located in B.C. Eligible cultivators may make arrangements with any federally licensed processor regardless of where they are located throughout the country; however, the processor must be licensed to produce the particular product type that cultivators are offering.

Each product SKU may have only one associated cultivator and processor. If the processor or cultivator changes, a new SKU must be registered with the LDB.

15. Why can't cultivators sell directly to licensed retailers?

Nurseries and cultivators may sell plants and seeds directly to licensed retailers; however, these products must be registered, and sales reported with the LDB. In line with provincial and federal legislation, all other cannabis products must be sold by processors.

16. As a cultivator without a federal processing licence, how can I get my products to market?

Cultivators without a federal processing licence must work with a federally licensed processor (micro or standard) to produce finished product from cannabis grown by cultivators.

17. As a cultivator, can I sell plants or seeds to licensed B.C. retailers without working with a processor?

Nurseries and cultivators may sell plants and seeds directly to licensed retailers; however, these products must be registered, and sales reported with the LDB.

18. How will product returns and recalls be managed?

Processors will be responsible for establishing their return policies, including product recalls, and retailers will need to ensure that they are familiar with those policies. The LDB Cannabis Wholesale return policies will not apply to directly delivery products.

Questions? Contact the LDB at: directdelivery@bcldb.com