

## Top Deal: Nothing Boring About This CBD Snack Line



### Problem:

Anxiety disorders are [the most common mental illness in the United States](#), affecting 40 million adults, or 18.1% of the population, every year. [Doctors don't fully understand the causes of anxiety disorders](#); they may be spurred by traumatic events, but inherited traits and underlying medical conditions may also play a role. Common anxiety symptoms include nervousness or restlessness, increased heart rate, sweating or trembling, and trouble concentrating: all symptoms that significantly reduce quality of life.

Moreover, anxiety seems to be increasing in America; [almost 40 percent of respondents in a 2018 American Psychiatry Association survey reported feeling more anxious than they did a year prior](#).

There is no cure for anxiety, and sufferers have struggled to find solutions to heal their symptoms. While some doctors prescribe pharmaceuticals such as selective serotonin reuptake inhibitors (SSRIs) and serotonin-norepinephrine reuptake inhibitors (SNRIs), [these medications come with significant side effects](#).

Some anxiety sufferers seek therapy, but [both prescription medications and therapy are expensive](#), particularly for those without medical insurance. Cost may be a major reason why only [a third of those with anxiety receive any treatment](#).

### Solution:

A Boring Life is a consumer packaged goods (CPG) company producing chef-curated natural snack foods infused with cannabidiol (CBD). The company's CBD-infused snacks provide natural relief for anxiety, depression, ADD, and other mental ailments to promote overall physical and mental wellness.

A Boring Life currently offers five products:

- Roasted Almonds with a Hint of Lavender
- Dark Chocolate & Sea Salt Almonds
- Sweet & Spicy Walnuts
- 1,000 mg Hemp Extract with Peppermint Tincture
- Boring Bones Gummies for Dogs

A Boring Life's products are gluten-free, vegetarian, keto, and paleo-diet friendly. Their nuts are grown in California on a family farm, and other ingredients are sourced from United States vendors for freshness.

While [formal research of the effects of CBD on anxiety and depression is ongoing](#), many CBD users anecdotally report that the use of CBD reduces their symptoms. However, [CBD's effectiveness in treating epilepsy and seizures has been proven](#), and some studies have indicated that CBD is an effective sleep aid.

[CBD was legalized when the 2018 Farm Bill legalized the production and sale of hemp and its extracts](#). In doing so, it created a massive market opportunity for CBD products - a market that has grown massively in only two years. [The market for CBD is estimated to reach \\$5 billion in 2019](#), which represents a 706% increase since 2018.

[Women are more likely to buy CBD than men](#), and CBD is most popular among 26-35 year-old consumers. 80% of those who purchase CBD products use them at least once a week, and 25% use CBD daily. The average consumer spends an average of \$20-80 per month on CBD products.

### **Growth Plan:**

A Boring Life is a young company, having generated only \$9,955 YTD as of June 2019. However, A Boring Life only launched in supermarkets and health food/natural grocery stores in Q2 2019, and launched on Amazon in Q3 2019.

Their products have been approved for distribution in 80,000 convenience stores across the country through the Asian American Trade Associations Council; they plan to launch in 10% of these stores, or 8,000 stores, in the near future by selecting key distributor locations. In addition, A Boring Life is in talks with GNC, Macy's, National Co-Op Grocers Association, and other key distributors to launch in the near future.

Beyond distribution, A Boring Life plans to focus on increasing SKU penetration, building their brand, and introducing new SKUs in current and new categories. Their capital raise will be devoted primarily to manufacturing and various marketing initiatives.

### **Why We Think A Boring Life is Worth Watching**

- **Booming CBD Industry:** The CBD industry is projected to reach \$5 billion in 2019, and will continue to grow at a booming pace as CBD is more widely adopted. Venture capitalists are taking notice; [the cannabis industry received \\$881 million of investment in 2018](#), the largest year ever for global

cannabis. While the legality of cannabis and CBD products is still somewhat in question, general consensus is that CBD will ultimately be fully legal and a common source of relief from prevalent mental disorders.

- **Natural, Family-Farm Brand:** Consumers are increasingly drawn to natural brands boasting ethically-sourced, pronounceable ingredients. [Sales in the natural food and drink industry grew to \\$75 billion in 2017](#), and continue to grow. A Boring Life is developing a distinctive brand of all-natural, healthy snacks produced on a family farm in Boring, OR, which will win consumers looking to trace the source of their food products.
- **Proven Founders:** The cofounders of A Boring Life recently developed a successful natural foods company, and also boast high-class restaurant experience to guide the development of new products. Moreover, the founders' past experience in the CPG space means that they can leverage past relationships with distributors, investors, and the media to generate increased traction.

### **Team:**

A Boring Life founders Serafina Palandech and Jennifer Johnson are proven entrepreneurs, having sold their first venture Hip Chick Farms (a natural frozen poultry brand) last year. Over five years, Hip Chick Farms grew to over 5,000 points of distribution. The couple's transition from Hip Chick Farms to A Boring Life generated press, indicating that their previous success will lead to beneficial attention within the industry.

Beyond business-running experience, Johnson was formerly the sous chef at highly-rated natural restaurant Chez Panisse in Berkeley, CA; she leverages her experience as a leading chef to create high-quality, curated snack foods.

### **The Rating: Top Deal**

A Boring Life is a Top Deal. [CBD products are growing extremely popular](#), particularly as a natural and affordable remedy to common mental health disorders such as anxiety and depression. While investors should be wary of continued confusion about the legality of CBD and cannabis more broadly, it is likely that CBD will be fully legalized and become commonplace within the next five years.

Moreover, A Boring Life has an extremely impressive founding team; Serafina Palandech and Jennifer Johnson are proven entrepreneurs with a history in the CPG and natural foods space. Their past experience with Hip Chick Farms, plus one founder's talent as a top chef, gives them a leg up over new entrants in the space. While there are CBD snack competitors to be aware of, including Weller Snacks, Vital Leaf, Good Bites CBD, and Grön, CBD-infused snacks is still such a young market that there is plenty of room to run and win market share with experienced execution.

A Boring Life's products will win market share in the emerging CBD snack space through their natural, family-farm brand that leverages the tailwinds of the organic/natural food industry that is growing rapidly each year. Venture capital investment, including [from in-house funds of major CPG brands](#), in natural foods has been strong in recent years, and major CPG players are likely to acquire natural food brands. Recent natural food acquisitions include [Amplify Snack Brands \(makers of SkinnyPop\) to Hershey for \\$1.6 billion](#), and [Rxbar to Kellogg for \\$600 million](#).

In sum, A Boring Life has strong potential for a successful exit to a major CPG brand, and will be propelled to exit via a booming space and capable leadership.