

JEFFREY S. ROSELL
DISTRICT ATTORNEY



**OFFICE OF
THE DISTRICT ATTORNEY
COUNTY OF SANTA CRUZ**

Santa Cruz
701 Ocean Street, Room 200
Santa Cruz, CA 95060
(831) 454-2400
dao@co.santa-cruz.ca.us

Website

<http://datinternet.co.santa-cruz.ca.us/>

**FOR IMMEDIATE RELEASE
May 7, 2021**

Contact: Doug Allen (831) 454-2400

DISTRICT ATTORNEY JEFFREY ROSELL ANNOUNCES SETTLEMENT OF A CONSUMER PROTECTION CASE AGAINST CANNACRAFT, INC.

Santa Cruz County District Attorney, Jeffrey Rosell announced today that the Consumer and Environmental Protection Unit, working with the California Food, Drug, and Medical Device Task Force, has reached a settlement in a civil action against Cannacraft, Inc. for false advertising violations. Cannacraft is a licensed cultivator and manufacturer of cannabis products based in Sonoma County and conducts its business under California's legal cannabis market.

The complaint alleges that Cannacraft made representations regarding the efficacy of its Care By Design products that were not supported by competent and reliable scientific evidence including: "Cannabidiol can change gene expression and remove beta amyloid plaque, the hallmark of Alzheimer's, from brain cells"; and "Scientific and clinical studies have shown that CBD could be therapeutic for many conditions, including chronic pain, cancer, anxiety, diabetes, epilepsy, rheumatoid arthritis, PTSD, sleep disorders, alcoholism, cardiovascular disease, antibiotic-resistant infections, and neurological ailments."

The California Food, Drug, and Medical Device Task Force includes the District Attorney Offices of Alameda, Marin, Monterey, Napa, Santa Clara, Santa Cruz, Shasta, Solano, and Sonoma counties.

Cannacraft and its counsel cooperated with the Task Force's investigation. They worked together to implement changes to their advertising and stipulated to the judgment without admitting liability. Under the terms of the stipulated judgment, Cannacraft will pay \$250,000 in civil penalties and, \$50,000 in restitution and investigative costs. Cannacraft also agreed to be bound by an injunction for 10 years.

This False Advertising Law settlement between law enforcement and a licensed California cannabis business may be the first its kind. The Santa Cruz County District Attorney's Office is committed in regulating the licensed cannabis industry the same way as other industries, including penalizing unfair competition.