

## **Cannabis Industry, Advocates Trying to Find Right Balance on Marijuana Legalization**

Business and advocates both play a key role in furthering marijuana legalization, but finding the ideal balance is proving difficult.

That was particularly evident with Ohio's ill-fated legalization measure, which seemed to shove aside the wants and needs of traditional advocates and marijuana supporters in favor of big businesses and investors.

The issue resurfaced again last week when a former Marijuana Policy Project official pegged the industry's growing influence on legalization efforts as a reason for his departure from the influential organization.

In doing so, he highlighted a growing disconnect between businesses that could help fund further legalization efforts and activists who often have a viewpoint based on social justice and public policy as opposed to profit margins.

In an interview with *Marijuana Business Daily*, MPP Executive Director Rob Kampia defended the organization that he founded 20 years ago. Kampia said his group isn't "unduly influenced" by businesses, saying that only about 10% of its revenue this year comes from the industry, with traditional philanthropists and regulator donations accounting for the other 90%.

As another example of his independence from business influence, Kampia said he resisted efforts by industry players in Massachusetts this past year to make the upcoming 2016 recreational ballot measure in that state much more friendly to existing medical cannabis businesses there. Industry professionals even offered to contribute \$900,000 to MPP, Kampia said.

But he refused, saying what they wanted was too "protectionist."

Kampia added, however, that he hopes businesses will decide to begin playing a much bigger financial role in supporting the spread of legalization.

"I wouldn't mind taking a lot of money from the industry. I would love it if someone would write us a check for \$3 million, but it's not happening," Kampia said.

Dan Riffle, the official who left MPP, said in email to *Marijuana Business Daily* the bigger issue is whether or not advocacy organizations should even be pushing a for-profit legalization structure across the country.

"At the end of the day, what it boils down to is that I believe strongly that marijuana should be legal, but don't necessarily think we need a commercialized, for-profit model of legalization," Riffle wrote. Riffle now works as an aide for Congressman John Conyers of Michigan.

Others, however, argue that the future of legalization is inextricably linked with commerce and for-profit businesses. Who else, the argument goes, is going to fund political campaigns, ballot measures and lobbying efforts?

"The captains of industry, it's in their best interests to spend the time, energy and resources to ensure their own future and protect their own interests. You see that across the board," said MedMen founder and managing partner Adam Bierman. "If those people don't step up to ensure their own future, that future is jeopardized."

A frightening version of the future, Bierman said, is one in which brand-new industry players who truly only care about profits – and not necessarily about social justice or appropriate regulations – are calling the shots. That, he said, is exactly what happened in Ohio, where a handful of wealthy investors backed an attempt to legalize medical and recreational cannabis.

If the ballot measure had succeeded, a marijuana cultivation oligopoly would have been installed in the state constitution.

That's not what he or Kampia want to see.

“If the industry players that are currently here don't step up... then guys like the (ones) in Ohio will wind up being the ones who drive the change, because it takes money to drive the change,” Bierman said. “You're competing against those dollars at this point.”

Tripp Keber, the CEO of Dixie Brands and a member of MPP's board of directors, also argued the future of legalization is directly tied to a healthy for-profit industry. That, he said, “ultimately is going to force the federal government's hand to capitulate in the not-too-distant future.”

That's one of the reasons Keber and Bierman put their names on Pledge 4 Growth, a new fund to help finance MPP's work across the country.

The concept is that businesses pledge to donate 0.42% (a play on the marijuana insider joke of 4/20) of their gross annual revenue to MPP so it can keep working to expand the industry and legalize cannabis in ever more states. Bierman even pledged to donate either the percentage or \$100,000, whichever is greater.

“There's nothing wrong or un-kosher about businesses putting up capital to protect their own interests,” Bierman said. “And in this case, it happens to run parallel to what we all believe in from a social standpoint, which is adult legalization.”

Bierman also called Riffle's assertion that the industry was taking over MPP “delusional.”

But Riffle noted that half of MPP's board of directors is comprised of industry interests, such as Keber. Those same interests have an enormous stake in avoiding not-for-profit legalization structures, Riffle pointed out.

“In 2009-14, when the focus was on convincing the public that marijuana should be legal, that difference on details was insignificant. Now that the public is ready to support legalization, details matter,” Riffle wrote. “The public should be having a discussion about the model of legalization that we choose and the industry's growing role in shaping that decision.”

*By John Schroyer*