

Top 10 Business Sectors That Will Thrive Under Legal Marijuana



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#1 Agriculture

It all starts with a plant. When you legalize cannabis you also free hemp. The potential in plant sciences for genetic development, improved crop yields, and modern agriculture whether it be field production, greenhouse production, or indoor agriculture, is amazing. Many farmers with decades of experience in floriculture and produce have already begun converting greenhouse space and field crops to produce cannabis or hemp. Agricultural colleges and an enormous supply chain also benefit as growth in agriculture production yields a rippling effect.

To quantify the economic impact that cannabis and hemp will have on world agriculture is difficult, but a few major crops that they will provide an alternative to are: Mapping out your production plan, and identifying your limitations will also give you somewhere to start from when determining the amount of space you'll require for production, and how much space to allocate for each stage.

✳ Tobacco

- Tobacco is consumed by approximately 19% of the world population, with a total of 6.25 trillion cigarettes smoked in 2012.^[1]
- Tobacco is grown in over 125 countries, on over 4 million hectares of land. The global tobacco crop is worth approximately US\$20 billion, a small fraction of the total amount generated from the sale of manufactured tobacco products.^[2]
- Countries do not profit economically from tobacco production and consumption. During 2000–2004, the value of cigarettes sold in the United States averaged \$71 billion per year, while cigarette smoking was responsible for an estimated \$193 billion in annual health-related economic losses.^[3]
- In 2011 tobacco use killed almost 6 million people^[4], however not a single person has died from cannabis consumption ever. In fact

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cannabis is being used to improve the lives of many people suffering from health issues.

✦ Cotton

- Cotton is the most often used natural fiber worldwide. In 2014, total global supply of cotton amounted to some 255.1 million bales. The textile industry is the biggest user of cotton.
- Hemp produces 250% more fibre than cotton when grown on the same land. It also requires about half the water cotton needs to grow. And while the production of cotton worldwide accounts for about 25% of all pesticides, hemp doesn't require any. Hemp naturally competes with weeds eliminating the need for herbicides as well.

✦ Cannabis Market Projections

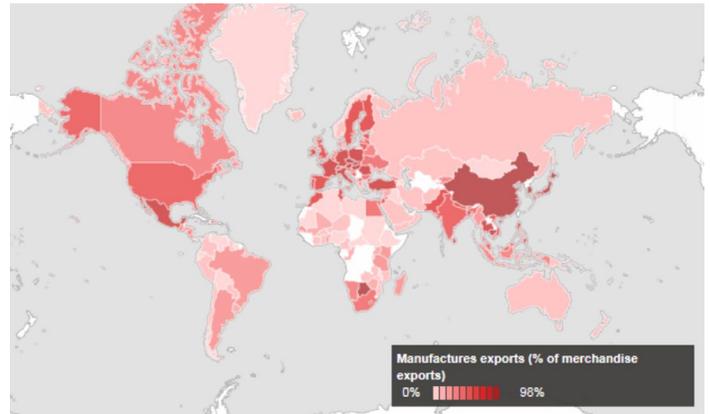
- The US market for cannabis is projected to grow to 35 billion by 2020 if marijuana is legalized federally. And it all starts with growing the cannabis plant.

#2 Manufacturing

There are huge opportunities in manufacturing that come with the creation of any new industry. Greenhouses, air conditioning units, fertilizer injectors, better tools for trimming, LED lighting, laboratory testing equipment, plastic packaging containers, hydroponic benches, environmental computer controls,

vaporizers, food processing equipment, glassware, vending machines, breathalyzers, and all the related components that go into manufacturing. The list is endless, and as new and improved ideas for harvesting, growing, drying, and shipping develop more opportunities will emerge for the manufacturing sector within the cannabis industry. Of course the best part of all is that these types of equipment and supplies are exportable today, so when other countries embrace cannabis as a viable legal industry, they will look to the experts for supplying equipment.

Manufacturing accounts for a large portion of most developed countries' export revenues. In the United States manufacturing accounts for about 12% of GDP.^[5]



Source: The World Bank

“The US market for cannabis is projected to grow to 35 billion by 2020 if marijuana is legalized federally.”

#3 Legal Services

Everyone loves a good lawyer joke, and there will be plenty more lawyers needed as marijuana transitions from a black/grey market to a legal one. Aside from the obvious need for corporate lawyers with any new business startup, cannabis promises to raise other legal needs, for instance there is the whole employment law issue on how medical marijuana users will be treated in the workplace.

Plant genetics and patents on flowers is nothing new to commercial agriculture, and with a crop as valuable as cannabis there are certainly going to be numerous applications for patents.

Did you know that despite declaring that cannabis has no medicinal value, the US government has held a patent on cannabis since October 7, 2003.

Cannabinoids as antioxidants and neuroprotectants US 6630507 B1^[6]

Publication date Oct 7, 2003

Filing date Apr 21, 1999

More legal needs will arise as cannabis brands establish themselves and need trademarks. And then there is always the risk for product liability suits with any consumer product.

International trade lawyers take notice. As governments relax their stance we are already seeing trade deals between countries. Australia,

Brazil, and the United States have authorized the importation and sale of certain types of cannabis medicines, as well as hemp products. Jamaicans are working with experts from Canada and the US on cultivation, and they are even looking at how to import seeds now.

This is only the beginning.

But first and foremost as this new industry has already experienced there is a myriad of different regulatory issues that must be sorted out, and each legal jurisdiction is approaching the cannabis industry with a different set of rules making doing business a complicated issue well deserving of qualified legal advice.

#4 Biopharmaceuticals

Cannabis isn't the first plant to be used for medical / health benefits, but it has certainly gotten more attention than the tobacco plants being used to create vaccines or biosimilar treatments for various conditions. Converting plants to medicine is a more efficient and ecologically friendly form of health care than the current pharmaceutical process, and the global pharmaceutical market is estimated to be currently worth 980 billion dollars annually.

Global spending on medicines is expected to reach \$1.3 trillion by 2018.^[7]

“More legal needs will arise as cannabis brands establish themselves and need trademarks.”

While clinical tests still need to be done there is ample evidence that cannabis does provide benefits in particular for: pain management, reducing frequency of epileptic and MS seizures, and reducing the negative side effect of chemo for cancer patients, and helping cope with PTSD.

#5 Cannabis Processing

Recently the Supreme Court of Canada ruled that medical marijuana could not be restricted only to dried flower which has to be smoked. This opened the door to a whole host of processing opportunities.

Looking to the US states where recreational adult consumption has been legalized already you will see a huge industry in cannabis food processing: cannabis gummy bears, lollipops, coffee infused with cannabis, special energy drinks, and of course the traditional marijuana brownies. But food is not the only product being processed with cannabis. Oils and tinctures have also gained enormous popularity: from CBD oil children's medicine, to skin creams, and even sex lubes.

#6 Tourism

The global travel and tourism industry in 2013 accounted for 9.5% of global GDP (US \$7 trillion) and nearly 266 million jobs.^[8]

Cannabis tourism is alive and well wherever adult recreational use of cannabis has been

legalized. Some creative tourism ideas that have already been commercialized include: cannabis cultivation tours, Bud and Breakfast accommodations, ganja massages, cannabis cooking classes, wine and cannabis pairing events, symphony smoke-in performances, cannabis farm to table dining events, and other specialty marijuana infused fine dining restaurants.

While the global tourism market is enormous, cannabis tourism will be a niche player. The truly successful will get in early and incorporate some of the natural tourism draws of their particular area with the added effects of marijuana consumption.

#7 Construction

Have you seen what goes into a commercial scale cannabis cultivation facility? These are major construction projects, whether being constructed in a greenhouse or inside a warehouse building. The construction trades will certainly get a boost as new grow rooms are built and then expanded upon. Along with grow rooms, mother rooms, cloning rooms, marijuana businesses need offices, employee washroom facilities, extensive vaults, and shipping warehouses.

And that is only covering the wholesale grower requirements, if retail is brought into the mix there is another huge boon for the construction industry as store fronts and specialty clinics

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need to be designed and constructed.

Hemp is poised to be a truly disruptive force in the construction industry.

While the physical construction aspects businesses expanding due to legalized cannabis is significant, the potential for hemp fibers to replace lumber is a game changer. Hemp is stronger and lighter than wood, it holds nails better, and particleboard made of hemp can be twice as strong as wood. 1 acre of hemp produces cellulose fiber pulp equal to 4 acres of trees, so hemp could easily and efficiently replace most items made of wood.

#8 Education

Traditional educators like horticultural colleges, and business school programs will see a boost as more interest is drawn to those disciplines with the increased potential of a legal cannabis industry. As will interest in chemistry, medicine, and law. Several US Universities have added specialty law courses to address the unique regulatory issues that are present as the United States forges its path from a black market to a legal industry. Some medical schools have begun discussing the need to teach more about the human endocannabinoid system.

In 2014 Men's Health Magazine decreed the top job for men was: Horticulturalist.^[9]

New career options are opening up and so are specialty colleges, and private learning institutes who will teach eager students how to be a "Budtender", the intricacies of cannabis cultivation, and how to get a job in this exciting new industry.

#9 Medical

There will certainly be big changes for the medical community in a legal marijuana world. First we will see more specialty clinics (these are in existence now wherever medicinal marijuana is allowed) then we will see physicians specializing in the endocannabinoid system.

The general public will demand clinical trials, and definitive results will be studied as to how different strains of cannabis affect different conditions.

Hospitals, and care givers will need to have established methods for dispensing appropriate doses, and cannabis will one day be one of the medicines considered for providing better patient care.

Global spending on medicines is expected to reach \$1.3 trillion by 2018.^[7]

These are big stakes for big pharma, don't expect them to lie down and roll over. This one is going to be a fight.

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#10 Media

You can hardly open a newspaper or a magazine today without there being at least one mention of marijuana. It is flooding our television sitcoms and dramas, and is prevalent in movies and concerts.

Specialty media is popping up:

The Cannabist is an offshoot of the **Denver Post**

The Marijuana Show promises a **Shark Tank** opportunity for cannabis entrepreneurs

Cannabis Times and **Marijuana Venture** provide magazines for marijuana business people

420intel.com curates world news for marijuana investors and entrepreneurs

And **“Pot Barons of Colorado”** answers a need for reality TV

BONUS CONSIDERATION

Retail

In a not yet legal market retail opportunities still have an enormous question mark on them, depending on the model chosen this could be the biggest opportunity of them all, or a minor player in the new industry. Here are the factors at play:

1. To follow the US model of licensed dispensaries means huge retail possibilities for store fronts, displays, elaborate and attractive packaging, branding experts,

vending machines, etc.

2. A slightly less dynamic retail model could follow the pharmaceutical model where drug stores control the dispensing and display putting the bulk of the retail marijuana industry in the hands of the already established retail giants. None the less packaging, service, dispensing, and marketing will all still be required.
3. Or there is an opportunistic model that sees cannabis producers selling direct to the consumer, which is great for the early adopters who will have established the right processes and procedures to vertically integrate and control the entire supply chain.
4. The least opportune retail option would be to restrict sales through a government controlled bureau similar to The Beer Store or the LCBO.

Narrowing it down to the top 10 wasn't easy, there are numerous additional benefits that will be reaped by other industries that benefit from cannabis.

Can you think of how your industry will change?

Health Care
Elder Care
Insurance
Energy
Transportation
Advertising

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“There are numerous additional benefits that will be reaped by other industries that benefit from cannabis.”