

Cannabis Business

Guiding you through the establishment and growth of your cannabis business.

When it comes to cannabis, it's more than just an industry. We know that the passion, dedication, and investment you have put toward your business are everything. At Fennemore, we use that same passion and dedication to provide effective business solutions that lead to smart growth.

LEADERSHIP



CANNABIS
BUSINESS

BUSINESS &
FINANCE

Janet Jackim
Chair

Phoenix
PH 602.916.5389
FX 602.916.5999
jjackim@fennemorelaw.com

ABOUT

Our attorneys collaborate to provide proactive and integrated strategies across all aspects of business operations, including regulatory matters, corporate formation, mergers and acquisitions, debt and equity financing, fund formation, real estate, intellectual property, and tax for marijuana and hemp businesses nationwide, regardless of the size of the operation. Our attorneys are known as thought leaders in the industry and regularly speak and write on topics involving cannabis law.

Fennemore stands out in high-stakes litigation, particularly when complex intellectual property disputes, corporate or partnership governance conflicts, and contract breaches intersect with the unique regulatory and legal oddities of the cannabis industry. Few firms combine deep industry knowledge with the litigation strength required for serious disputes, but we do.

We are a team of skilled business and litigation attorneys with the insight and resources to help cannabis businesses and others in the industry navigate challenges and reach their highest aspirations. Our attorneys in closing cannabis license sales and transfers across multiple states,

structuring banking and loan programs, facilitating over \$100 million in cannabis-related commercial real estate and business loan transactions, and advising on state court cannabis business receiverships—our experience runs deep. With a proven track record across every stage of the business lifecycle, we are trusted advisors to cannabis business leaders shaping the future of the market.

CORPORATE/BUSINESS TRANSACTIONS

Fennemore attorneys cover a broad range of areas within cannabis law, serving as a one-stop shop for your business's legal needs, including, but not limited to:

- Business formation and restructuring
 - USDA, FDA, DEA, and FTC compliance, including labeling, and federal, state, and local regulatory compliance and enforcement defense
- Affiliations, mergers and acquisitions, and corporate transactions
- Private placements, public securities offerings, and lending transactions
 - Intellectual property counseling, licensing agreements, and patent and trademark applications
- Executive compensation structuring and employee benefits
- International expansion and cross-jurisdictional considerations from local to international levels
- Supply chain considerations
- Risk-mitigation and management
- Environmental, social, and corporate governance, and policies and procedures
 - Government and policymaking counsel and state and federal legislative, and policy advocacy

LITIGATION

Our goal is to keep you out of the courtroom; however, when business disputes arise, you need experienced trial lawyers who know your business. As a leader in cannabis law, we have years of extensive experience negotiating shareholder and member disputes, breach of contract or fiduciary duties, and securities fraud. Navigating any business dispute can be complicated; having an experienced team of litigators is essential.

At Fennemore, we can help you with the following cannabis disputes or litigation matters:

- State court receiverships, reorganizations, and asset sales
- Membership and partnership disputes
- Licensing disputes
- Regulatory enforcement citations, penalties, and contests
- Cannabis securities litigation
- Lender and investor litigation
- Land use, zoning, and entitlement disputes
- Employment disputes
- Alternative dispute resolutions

MARIJUANA REGULATORY ISSUES

Finding success in an industry involving marijuana is complex and requires reliable, consistent legal support with a diverse portfolio to back it, which is precisely what Fennemore provides. Our team has successfully assisted clients in securing merit-based or lottery licenses in numerous states, along with prosecuting challenges to applications awarded by the licensing authority, and is well-experienced in navigating the many regulatory hurdles cannabis businesses face every day. As the cannabis industry grows and evolves, assisting clients in implementing a multi-state strategy is becoming increasingly important. Our team regularly assists clients through every step of the process, including formation and corporate structuring considerations, tax/280E mitigation, forming a strong and effective plan for financing and valuation, applying for necessary licenses in a prepared and comprehensive manner, successfully operating a profitable and compliant business, managing risks, crises, and financial downturns.

HEMP REGULATORY ISSUES

Fennemore understands and appreciates the changing nature of hemp legislation and the tremendous growth of the industry. We provide practical counsel in all aspects of our client's business life cycle, including corporate formation and structuring, commercial contracting, debt and equity financing, and M&A, coupled with nuanced and interlinked counsel on state and local regulatory issues, licensing, and labeling compliance, tariffs, customs import/export issues and state and federal (FDA and FTC) regulatory considerations, and more. Our team's institutional understanding and depth of experience will help ensure regulatory compliance while also helping you navigate and succeed in a complex emerging industry.

YOU KNOW YOUR BUSINESS, WE KNOW THE LAW

Although marijuana and hemp have their similarities, our attorneys at Fennemore have a full understanding that each of them carries its own unique set of rules, laws, and regulations. From farm to table, whether you're a cultivator, processor, product manufacturer, brand, or retailer/dispensary, turn to Fennemore for thoughtful, creative, and strategic guidance.

REPRESENTATIVE MATTERS

Represented a business in a major, bet-the-company litigation involving theft of trade secrets

- and intellectual property, and an illegal takeover of a cannabis business. We obtained a preliminary injunction and disproved all the claims against the client.

Represented various out-of-state companies in their Arizona dispensary and cultivation facility

- acquisitions, including acquisition mechanics, drafting documentation, cannabis regulatory issues, Department of Health Services transitions, and strategic planning.

Represented the owner of a medical marijuana retail licensee and its affiliated recreational

- marijuana retail licensee in the combination of their operations, real estate, and licensing rights to form the first-ever combined dual-licensee under one roof.

Collaborated with a team of zoning professionals that challenged local governments resisting

- dispensary locations in their cities, created new locations through rezoning and variance applications, and appealed misinterpretations of zoning laws applicable to dispensaries.

Through administrative and litigation proceedings, prosecuted municipal zoning actions that

- wrongfully discriminated against cannabis businesses.

Represented several physicians as amicus curiae in the landmark Arizona Supreme Court ruling that broadened the interpretation of the Arizona Medical Marijuana Act to include all

- parts of the cannabis plant, including hashish (resin)—ultimately expanding the access of

patients to marijuana products such as gummies, tinctures, and concentrates, ultimately expunging a wrongfully-convicted medical marijuana patient's criminal sentence.