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Op-Ed

Medical marijuana in New York yields sweet opportunities for business

Laboratories, data tracking, security, construction and—of course—legal counsel are among the services that will be needed by the economy's newest field.

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The winners of the five golden tickets are about to be announced. No, not for a chocolate factory tour, but entry into the Wild West of New York's emerging cannabis industry. But even if you don't have a winning ticket, you don't have to be left out in the cold. Business opportunities abound.

To be sure, many questions remain about how successful the state's medical-marijuana program and [its entrepreneurs will be](#). Will the winners go the way of Augustus Gloop and Veruca Salt or of Charlie Bucket? Certainly, as made clear by the lower-than-anticipated volume of applications, there is significant risk, given New York's uniquely restrictive—and not so Wild West—marijuana program.

But with high risk comes the potential for real high reward (pun intended). Take a look around the country at the progressive shift in our society. Let's face it: The marijuana program will be here to stay in New York, and more likely than not will expand with time.

Whether or not it becomes the multibillion-dollar industry the applicants are dreaming about, there will be business opportunities for the rest of us (Oompa-Loompas, anyone?). Consider the combination of an industry starting from scratch and the need to comply with many regulations.

For instance, burdensome quality assurance requirements will provide a need for laboratory services. Data retention and inventory accountability requirements will require IT companies. Security requirements (nearly 10% of the text of the regulations is devoted to this, including multiple types of mandatory alarms) will necessitate security companies. Large-scale greenhouses will need to be constructed, providing opportunities for material suppliers, skilled technicians and laborers. The five "registered organizations" (the official term for the applicants granted licenses to produce medical marijuana) will also need accountants, marketers, insurance services and so on. There may also be marketing opportunities for businesses, such as nursing homes, where palliative care is rendered.

One business that shouldn't see an uptick is the selling of smoking paraphernalia; the program restricts

medical marijuana to [liquids, oils and capsules](#). Also, if your skill set is culinary, you're out of luck: Food products are specifically prohibited.

And then there is my business. Whether one is a producer, physician, patient or ancillary business, if ever there were a field calling for legal guidance, medical marijuana would be it. Regardless of your view on how well New York's marijuana program will work, one thing you can take to the bank is the heavy scrutiny it will be subject to in its infancy.

So although the early years may be a rough go for the early entrants—particularly for the registered organizations with their heavy startup costs—suspect the program will adjust and become more lucrative with time. Potential participants who withdrew from the application process may watch from the sidelines to see how things shake out. That may prove wise, but this new industry might not be for the conservative-minded. And the early entrants—producers and supporting businesses alike—will have the first-in advantage.

We won't all become heirs to the chocolate factory, but we have a chance to get a taste of the chocolate river—without, I hope, falling in.

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