

# Law in the Ever-Evolving Cannabis Sector

The cannabis industry is a budding sector with endless opportunities for growth (puns intended). This week on North Report we spoke with Chris Sanz, a commercial, technology, and cannabis lawyer at Inter Alia Law. We discussed some misunderstandings around law, the purpose of lawyers, and his enthusiasm about working in the cannabis sector.

Sanz was sure to disclaim that you should never take legal advice from a podcast (or blog), and to always consult a lawyer when making decisions outside of your area of expertise.

## No Definitive Answers, Just Risk Based Decisions

One big myth that Sanz sought to dispel is that lawyers are there to stop you from doing things. In fact, it's quite the contrary, they want to help you do things, but to control your risk while doing so. Additionally, another broad misunderstanding about law is that there is a definitive answer - there hardly is. Law is about making risk based decisions, judgement calls based on the available facts and laws.

Although Health Canada regulates the Cannabis Industry, the regulations are complex and there is still some room for interpretation. Lawyers are there to make sure you remain in compliance. [Cannabis 2.0](#), the legalization of edibles and concentrates, brings even more strict regulations and legal challenges. Accordingly, Sanz suggests consulting a lawyer *before* you get into trouble; once you feel out of your comfort zone, it may be time to bring in help.

## Emerging Industry Excitement

The Canadian cannabis industry is a fascinating space to be involved in. Constant changes and additions to rules and regulations makes this ever-evolving industry exciting. Sanz boasts that it's like working in a well-funded startup with an abundance of opportunities for those who want to get experience in business management.

[Canada's cannabis sector is indeed booming](#) - over the past year employment has nearly quadrupled, and the number of companies has doubled. This once-taboo, now multi-billion dollar industry, is only estimated to grow exponentially for the foreseeable future; [some experts predict](#) that cannabis will even surpass the soda industry.

Nevertheless, this potential growth in Ontario is being deterred by the Provincial Government. Sanz believes that they greatly misjudged the importance of an in-person retail experience. Ontario has the lowest legal cannabis brick-and-mortar store density out of all the provinces. As of October, Ontario has only 24 legal cannabis stores, while Alberta boasts more than 300 legal pot providers. With the greatest provincial population, Ontario expectedly accounted for the greatest amount cannabis sales, but it is believed that the lack of retail locations put a damper on these numbers.

There are online purchasing options, but cannabis is a very sensory-dependant product - most consumers prefer to smell and see the actual product, and ask questions before purchasing. Consumers have proven this [preference for in-person shopping](#) with the vast majority of legal sales in Canada being made at physical stores.

Many successful e-commerce businesses, such as [Casper](#) and [Warby Parker](#), are opening up physical locations to complement their online presence, a new business model referred to by some as “click-and-mortar”. While e-commerce can help reach wide audiences, consumers still want to try the products in person and the offline locations help complete the customer experience.

In any new industry, there is going to be turbulence as laws are established and evolve, and precedence are set. It's prudent to have a good working relationship with your legal counsel to help navigate this complex and ever changing industry.