

# Socially Conscious Success in Cannabis

In our latest episode of North Report we spoke with Trang Trinh, founding director and CEO of TREC Brands, a socially conscious cannabis company that is focused on developing and marketing cannabis brands. Trinh touched on the importance of underscoring your business plan with a strong corporate social responsibility policy, building a passionate and dedicated team, and staying true and authentic to your brand, especially in the unprecedented world of legal cannabis.

## Community First, Business Second

Trust, Respect, Equality, and Compassion - these are the foundational blocks of TREC, and these values shine through in their commitment to doing social good. They have pledged to give back 10% of their gross profits to the communities that they operate in, to causes such as local arts, climate change, and the empowerment of women. In addition to their devotion to philanthropy, TREC is challenging others in the industry to get on board with this 'community-first' movement they are leading.

It's possible to do well and do good.

This dedication to community is not only charitable, it is good for business - it helps companies establish and increase brand awareness in a positive and low-cost way. People want to support companies that are aligned with their values. A recent study showed that nearly 90% of consumers will purchase a product because the company advocated for an issue they care about.

Adding a philanthropic component to your company is also a way of building great culture - employees who are passionate about their organization's mission will be more invested in their work (Forbes, 2017).

## Stacking your Team

Building a team full of passionate and dedicated individuals can be a struggle, but it's a crucial step for any start-up or expanding business. Using her previous experience at Deloitte, Trinh focuses on recruiting people for culture fit. However, without careful consideration, this method can be problematic. Research from Northwestern University's Kellogg School of Management, found that a focus on culture fit can lead to an increasingly homogenous workforce as people unconsciously tend to hire those who display similarities to themselves. Trang is well aware of these unconscious biases, and has made sure to follow a method of recruiting talent without prejudice.

*"[W]e are making sure that we look at various different skillsets, personalities, backgrounds, to build out our team that is going to be sustainable for the future".*

## Staying True and Authentic

Having a mission statement you truly believe in, and a passionate team is a good start, but how do you set your business a part in the 'Wild West' of the cannabis industry? Trinh

attributes their success to their atypical business model - a cannabis company that doesn't produce cannabis.

*"We focus on what we're good at, and that is sales and marketing, and we let our partners do what they're good at, which is cultivating and processing."*

As a consumer packaged goods (CPG) company, TREC concentrates on curating quality cannabis products and marketing them to niche demographics. With three varied brands under their brand house, a wide range of consumer profiles are covered accounting for a large portion of the population. This puts TREC in a good position to develop new products, especially post "Cannabis 2.0" - the legalization of edibles, beverages, and other cannabis-derived goods.

With the 'roaring twenties' fast approaching, the de-stigmatization of cannabis use, and the desire for alternative, health-conscious ways of entertainment, we will undoubtedly see a rise in cannabis consumption. TREC's scalable business model will allow them future success in this fast-paced, ever-changing, and growing industry.

This burgeoning and dynamic industry will require focus and a skillful execution of strategy. With a variety of well-capitalized players and an unclear regulatory landscape, "the willingness to embrace risk, and staying true and authentic to who you are" is vitally important, because, as Trinh remarks, "at the end of the day if you don't bet on yourself, nobody else will."

## **References:**

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