



# GUIDANCE ON COMMERCIAL CANNABIS ACTIVITY



- Under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), all commercial cannabis activity shall be conducted between licensees. The employees of a licensee may engage in commercial cannabis activity on behalf of the licensee.
  - Commercial cannabis activity includes activities that are plant touching such as cultivating, manufacturing, and transporting cannabis, as well as activities that are not plant touching such as procuring and selling cannabis.
  - Below are examples of activities that are provided for informational purposes only to assist licensees by providing some general, generic examples. However, whether or not an activity is compliant with statute and regulation requires a case-by-case analysis and is determined by the specific facts and circumstances of the unique situation. Therefore, the examples below are not automatically allowable but rather provide a sampling of potentially allowable activities based on information derived from inquiries submitted to the Bureau.
- Examples of Potentially Allowable Activities:**
- Licensees may enter into intellectual property licensing agreements with unlicensed entities. However, the intellectual property holder cannot exert control over the licensee's commercial cannabis operations. If the intellectual property holder is exerting control over the licensee's commercial cannabis operation, then the intellectual property holder must be disclosed as an owner on the license.
  - Licensees may use the services of unlicensed entities such as consultants and brokers to conduct non-commercial cannabis activity such as renting property, purchasing packaging, or leasing equipment for use by the commercial cannabis business. Consultants or brokers that are engaged in commercial cannabis activity for a licensee, such as procuring or purchasing cannabis for a licensee, must be included as either an owner or financial interest holder on the license.
  - Licensees may package and label cannabis with another licensee's brand. For example, a licensed distributor may package and label cannabis with a licensed retailer's brand on behalf of the licensed retailer.
  - Licensees may use a referral service or agency to find a licensed distributor to distribute cannabis goods. The referral service or agency is not permitted to share in any profits or revenue from the agreement or have any direction or control over a license, unless the referral service or agency is disclosed as an owner or financial interest holder of the license.
  - Licensees may procure or purchase cannabis on behalf of or at the request of another licensee, such as a licensed distributor procuring cannabis for a licensed manufacturer. Licensees may not procure or purchase cannabis on behalf of any person that is not licensed under MAUCRSA.
  - Licensees may enter into rental agreements where the landlord takes a percentage of a licensee's profits if the landlord is disclosed as an owner or financial interest holder of the license.

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- Licensed retailers and licensed microbusinesses may contract with a service that provides a technology platform to facilitate delivery of cannabis goods to customers if the service does not share in the licensee's profits.
- Licensees may hire an advertising agency or marketing firm to build and/or promote the licensee's brand. The advertising agency is not permitted to share in any royalties or a percentage of profits or revenue of the licensee unless disclosed as an owner or financial interest holder of the license.
- Licensees may purchase the right to use a patent for cannabis extraction. The patent-holder is not permitted to share in any royalties or a percentage of profits of the licensee unless the patent-holder is disclosed as an owner or financial interest holder on the license.
- Licensees may purchase non-cannabis materials such as empty cartridges, batteries, packaging, extraction equipment, grow lights, and transportation and delivery vehicles, from unlicensed businesses.
- Licensed cannabis event organizers may only coordinate cannabis events. Licensed cannabis event organizers are not authorized or licensed to engage in commercial cannabis activity governed by manufacturing licenses, cultivation licenses, distribution licenses, or retail licenses.

*This informational document is not meant to implement, interpret, or make specific any existing laws or regulations.*