

Partner Zane Gilmer Publishes in the Cannabis Law Journal

In the News

07.14.2020

Financial Services and Class Action Partner [Zane Gilmer](#), who also chairs the firm's Cannabis Practice Group, published recently in the *Cannabis Law Journal*, discussing the need for capital in the rapidly growing marijuana industry and an increase in investment-related litigation.

"Not surprisingly, over the last year, we have seen an increase in disputes between marijuana entities and their investors, ranging from one-off lawsuits to wide-scale putative class actions, including so-called "stock drop" lawsuits. These lawsuits typically allege that the entity's management committed some form of misconduct, either in connection with the solicitation of the investor's investment, or afterwards, which misconduct caused the investor to lose part, or all, of their investment," Zane writes. "These lawsuits show no sign of slowing and, in fact, will likely increase in frequency given the uncertainty with the economy and volatility within the marijuana industry itself."

Zane goes on to outline steps that can be taken to reduce the existence of common issues that often lead to disputes, including understanding and disclosing risks, making well-founded representations, proper documenting, accounting and management, and strong communication.

With a background in securities, banking and compliance, Zane is an experienced litigator representing financial services firms, cannabis investors and entities, and others in highly regulated industries. He frequently represents individuals and companies in high-stakes litigation involving business and investment disputes.

CONTACT

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