



Cannabis, Hemp and CBD

Industry Contact

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Related Industries

Financial Institutions

Health Care

Vorys is a full-service law firm that represents employers, health care providers and practitioners, manufacturers, sellers, distributors, medical marijuana cultivators, processors, and dispensaries, commercial landlords and tenants, investors, financial institutions and higher education institutions on the legal, regulatory and business issues surrounding the cannabis, hemp and cannabidiol (CBD) industries.

With 100 years of experience in business, manufacturing and commercial representation, Vorys has successfully assisted emerging businesses navigate federal, state and local laws and regulations and we continue to work alongside these businesses and industries as they mature.

Since medical marijuana and hemp have been legalized in Ohio and CBD has emerged on the market, Vorys has represented those directly involved in the industries, including cultivators, processors, agricultural entities, dispensaries, retailers and suppliers, as well as related industry stakeholders. Our attorneys stay current on these complex and rapidly-changing federal and state laws and related regulatory guidance governing these emerging industries.

What We Do

To deliver the highest quality service, we work on an inter-disciplinary basis, bringing deep experience from our different practice groups. We employ attorneys in virtually every legal practice area when servicing our cannabis, hemp and CBD clients. Our team of experienced attorneys assist clients by providing services in the following areas:

Licensing and Regulation

Vorys has a long history of representing a variety of clients in administrative hearings regarding licenses and legal compliance, as well as working with various governmental regulators to assist contested compliance issues. Our attorneys bring a wide variety of experience to these government hearings and negotiations, as well as a reputation in Ohio that enables us to work with various regulatory bodies as necessary.

We also help medical marijuana cultivators in post-application challenges and litigation, having defended a license before the Ohio Medical Marijuana Control Program and challenged the denial of a license to another applicant. We also assist medical marijuana dispensaries with start-up and subsequent transition issues. We have the knowledge and experience to help businesses assess their risks under state-specific laws and federal cannabis-related laws, as well as address the conflicts between state and federal law.

Real Estate and Zoning

We have a wealth of knowledge when it comes to zoning considerations and compliance concerns related to the Ohio Medical Marijuana Control Program applications, including location restrictions. We have also assisted dispensaries, processors and cultivators with local zoning issues and obtained approvals in the face of local opposition. Additionally, we assist with land development, permitting and environmental zoning issues.

Financial Institutions

Since cannabis remains illegal under federal law, both cannabis-related businesses and financial institutions are forced to operate in a complex and fluid regulatory and corporate environment. Financial institutions who service cannabis-related businesses, regardless of whether it has been legalized under state law, can potentially be subject to various federal civil and criminal issues and face increased risks of state and federal regulatory scrutiny, enforcement actions, criminal prosecution, asset forfeiture, insurance coverage, officer and director liability issues and reputational harm. We can assist cannabis-related businesses with the challenges associated with finding a financial institution partner to service their banking needs. In addition, we work with financial institutions to create and implement practical policies that enable them to service hemp- and cannabis-related businesses mitigate risk, and comply with state and federal guidance.

Financing, Bankruptcy and Insurance

Vorys has experience assisting cannabis-related businesses as they navigate state and federal laws and regulations to secure banking and related services. Through strategic relationships with key stakeholders, federal and state regulators and policymakers, we are also uniquely positioned to monitor legal and regulatory finance developments at both the state and federal level and help marijuana-related businesses and financial institutions prepare and adapt accordingly.

In these challenging economic times, where both cannabis-related suppliers and customers may be facing financial difficulties, clients need a careful understanding of creditors' rights and bankruptcy laws. Our lawyers have decades of practical experience in this important area. Our multidimensional and national experience representing clients in all aspects of bankruptcy proceedings, combined with our cannabis expertise and deep bench, makes us well poised to represent clients in cannabis-related bankruptcy matters, which also includes our up-to-date knowledge of ever-evolving circuit law on whether cannabis businesses qualify to be a debtor under federal bankruptcy law.

Additionally, our attorneys understand the complex nature of insurance-related risks and insurance coverage challenges faced by cannabis-related businesses. We understand the state and federal regulations and can provide guidance on different ways to manage risks.

Health Care, Product Regulation and Labeling

Vorys assists health care providers across the industry (including hospitals and health systems), as well as individual practitioners (including physicians), with cannabis, hemp and CBD compliance issues arising under federal and state laws, as well as the general impact of specific cannabis policies and practices, including issues related to Medicare, Medicaid and other third-party payors, professional licensure matters, privacy, informed consent and medical record documentation. We have also assisted university research centers on their state medical marijuana licensing requirements and other related issues.

Aside from health care provider and practitioner issues, others operating in the cannabis, hemp and CBD industry often need advice on best practices related to selling, labeling and advertising such products. Vorys has experience in providing legal and business guidance to manufacturers, distributors and sellers on the requirements and limitations related to selling, labeling and advertising CBD products under federal and state law.

We also have considerable experience with matters falling under the jurisdiction of the Food and Drug Administration (FDA), including compliance with the federal Food, Drug and Cosmetic Act and related federal and state laws. We have specific experience with pharmaceuticals, medical devices (including personal protective equipment), dietary supplements, vaccines, biologics, cosmetics, medical foods and nutraceuticals, including pre-market strategies and applications (510(k)s, emergency use authorizations (EUAs), and testing, as well as post-market compliance, such as labeling, advertising and promotion, adverse event reporting, recalls, good manufacturing practices and responding to enforcement actions.

Product Liability

Vorys has deep experience representing and assisting products manufacturers in connection with product liability claims. Vorys has represented small manufacturers to Fortune 500 companies in state and federal courts nationwide and involving numerous types of products, such as chemicals, consumer products, pharmaceutical products and others. As cannabis-related consumer products enter the marketplace, Vorys' depth and breadth of product liability experience uniquely positions us to assist with identifying issues and, if necessary, developing the right facts and selecting the right experts to reach favorable judgments effectively and efficiently. Additionally, Vorys attorneys have significant experience with product liability reform and legislation, making Vorys a vital resource for offering input on and shaping the initial regulations and policies governing this new area of law.

Employment

Whether operating an established business or just starting out, cannabis, hemp and CBD businesses face the same types of employment issues that other businesses do. And most businesses need advice with the multitude of employment-related issues involving cannabis, hemp and CBD. Vorys helps businesses navigate federal, state and local employment laws to ensure that their operations are safe and compliant.

We can assist companies with the full range of employment issues, such as:

- Employment policies and manuals
- Non-compete, non-solicit, confidentiality and non-disclosure agreements
- Employment litigation
- Wage and hour / Fair Labor Standards Act (FLSA)
- Workplace safety and workers' compensation
- OSHA, Department of Labor, EEOC and other agency complaints and compliance
- Management and employee training
- Workplace harassment
- Workplace investigations
- Employee discipline and termination
- Employee benefits

We are also familiar with both federal and state drug testing requirements and how they interact with state protections for cannabis use. For example, states may protect off-duty use of cannabis; limit, restrict or prohibit drug testing; or require reasonable accommodations for medical cannabis users. We regularly work with clients on implementing substance abuse testing policies and procedures that account for states' legalization of medical and adult use/recreational cannabis and the court decisions interpreting and applying those laws.

We work extensively with clients on practical guidance, proactive compliance, implementing employment policies, mitigating risk, crisis management and dispute resolution.

Intellectual Property (IP)

With the rapid advances in the cannabis market, it is critical to secure early protection of intellectual property (IP) rights. Our clients rely on our IP attorneys to guide them through complex strategic planning, sensitive negotiations, and obtaining and enforcing patents and trademarks relating to cannabis products, as well as other important aspects of IP protection. As the cannabis industry grows and products evolve, our multidisciplinary team can help inventors develop, customize and strengthen operation-wide IP strategies. Our attorneys do not simply provide rote registration services. Instead, we work with our clients to articulate their IP objectives, ensuring that each IP asset serves those broad goals. We also educate our clients on the risks of their IP asset decisions and suggest procedures or alternatives to minimize those risks.

eControl

The cannabis industry has been increasingly seeing the advantages and opportunities created by eCommerce. This rapid growth has created several new problems for brands that disrupt their sales and business and threaten their value. Many brands today have little control over who is selling their products, or where or how they are selling them online.

Our end-to-end **eControl services** combine monitoring data and analytics, investigations, reseller policies, gray market legal foundations, diversion diagnostics, corrective action consulting and comprehensive legally backed enforcement tactics. We define, implement and execute the comprehensive eControl solutions that help companies control online sales in a manner that facilitates optimized revenues and margins in today's market.

We help businesses grow by developing innovative strategies to remove third-party unauthorized sellers, achieve MAP compliance, stop diversion and control the quality of products. Vorys couples these services with others, such as investigations, enforcement and legal compliance, to help further increase revenues.

Experience

- Representing retail clients to analyze issues relating to CBD product sales under applicable health care laws and their banking and credit card processing agreements
- Representing a global corporation updating their drug screening policy to account for multiple disqualifications based on THC in hiring and providing counseling about CBD use policies and multi-state medical/recreational marijuana-related issues across the country
- Representing successfully a cultivator client in multiple state litigation challenges of its license from competitors
- Representing successfully a cultivator from a challenge by the Department of Commerce to strip it of its provisional license
- Representing a cultivator applicant in a post-regulatory appeal to the Franklin County Court of Common Pleas and challenge to scoring process
- Representing a dispensary through the application phase through start-up, ongoing operation and ultimate potential sale
- Representing a dispensary applicant in a challenge to the Ohio Pharmacy Board
- Working with the Ohio Medical Marijuana Program, both the Department of Commerce and the Board of Pharmacy in regard to license transfers and ownership issues
- Representing several clients during trademark application of cannabis-related goods
- Representing a dispensary in a land use matter against an Ohio city in front of the Planning and Zoning Commission
- Representing a client on CBD and hemp issues, including labeling and testimonials for their CBD products and contracting issues related to the farming of hemp
- Representing multiple health systems and other health care providers relative to their practices and policies on medical marijuana

News

News, 11.16.2023

Smith Elected as Vice President of the Ohio Association of Civil Trial Attorneys

News, 8.18.2022

Ten Vorys Attorneys Included in the 29th Edition of Best Lawyers: "Lawyer of the Year"

News, 8.18.2022

115 Vorys Attorneys Named to the 29th Edition of The Best Lawyers in America® List; 33 Vorys Attorneys Named to Best Lawyers: Ones to Watch in America List

News, 7.12.2022

Falk Named to the Leadership Cleveland Class of 2023

6.29.2022

59 Vorys Attorneys Included in 2022 *Columbus CEO's Best Lawyers*

News, 9.17.2021

Smith Featured on High Heels & Politics Podcast

Publications

Authored article, Spring 2024

Pending Rules and Competing Visions: Charting the Economic Development Potential of Ohio's Recreational Cannabis Tax Revenues

Authored article, Spring 2024

Development Incentives Quarterly: Spring 2024

Client alert, 11.8.2023

O-HI(gh)-O: The Buckeye State Legalizes Adult Use Cannabis

Client alert, 5.4.2023

It's Not Easy Being Green, and It Could Get Harder - FTC Considering Changes to Green Guides

Client alert, 4.10.2023

From Bluegrass to Green Grass: Kentucky Legalizes Medical Marijuana

Client alert, 10.6.2022

California Makes Marijuana Users a Protected Class

Authored article, *Law360*, 9.23.2021

PA Ruling Reminds Employers to Rethink Cannabis Testing

Client alert, 9.8.2021

Pennsylvania Superior Court Opens the Door to Medical Marijuana Discrimination Claims

Authored article, 9.2.2021

Cosmetics Containing CBD—How Regulated Should They Be?

Client alert, 5.20.2021

Alabama Legalizes Medical Cannabis

Client alert, 4.23.2021

Virginia Legalizes Recreational Cannabis and Enacts Employment Protections For Medical Cannabis Users

Authored article, Spring 2021

SAFE Banking Act Reintroduced in Congress as Cannabis Banking Reform Gains Bi-Partisan Momentum

Spring 2021

The Bankers' Statement: Spring 2021

Client alert, 4.9.2021

New Mexico Legalizes Recreational Cannabis

Client alert, 4.1.2021

New York Legalizes Recreational Cannabis

Client alert, 3.16.2021

Supreme Court of Ohio Rules State Agency Must Approve or Deny a Marijuana Cultivator's Application to Expand Cultivation Area

Client alert, 2.26.2021

New Jersey Becomes the Garden State for Recreational Marijuana

Client alert, 1.19.2021

Red State, Blue State, Green State: More States Legalize Marijuana on Election Day

Authored article, Summer 2020

The Bankers' Statement: Summer 2020

Authored article, Summer 2020

FinCEN Issues Additional Guidance for Financial Institutions Serving Hemp-Related Businesses

Client alert, 12.18.2019

Labor and Employment Alert: Medical Marijuana Users are Eligible for Unemployment Compensation in Michigan

Client alert, 11.6.2019

Client Alert: USDA To Begin Reviewing State Hemp Plans and Producer License Applications

Client alert, 8.26.2019

Labor and Employment Alert: Illinois Legalizes Recreational Marijuana

Client alert, 7.31.2019

Client Alert: New Ohio Law Permits Possession and Sale of Hemp Products – But Legal Risks Remain

Client alert, 7.8.2019

Labor and Employment Alert: Nevada Protects Applicants from Marijuana Drug Tests

Client alert, 4.3.2019

Health Care Alert: FDA Announces Public Hearing to Inform Regulatory Next Steps with Respect to CBD Products

Client alert, 12.21.2018

Client Alert: 2018 “Farm Bill” Creates New Opportunities for Patients, Producers of Hemp-Derived CBD

Authored article, Fall 2018

Continued Uncertainty in Banking Marijuana Businesses in Ohio

Client alert, 11.9.2018

Labor and Employment Alert: Missouri Legalizes Medical Marijuana

Client alert, 11.8.2018

Client Alert: GREEN WAVE: Michigan Becomes the First Midwestern State to Legalize Recreational Marijuana

Client alert, 11.7.2018

Labor and Employment Alert: Michigan Legalizes Recreational Use of Marijuana

Client alert, 7.2.2018

Labor and Employment Alert: Oklahoma Becomes the 30th State to Legalize Medical Marijuana

Client alert, 6.28.2018

Labor and Employment Alert: Maine Supreme Court Refuses to Order Employer to Pay for Injured Worker’s Medical Marijuana

Client alert, 6.26.2018

Health Care Alert: FDA Approves First Drug Derived From Cannabis

Client alert, 1.31.2018

Labor and Employment Alert: Vermont Legalizes Recreational Marijuana

Client alert, 9.5.2017

Labor and Employment Alert: Federal Court Holds Connecticut Medical Marijuana Law Prohibits Discrimination

Client alert, 7.27.2017

Labor and Employment Alert: Massachusetts High Court Requires Reasonable Accommodation for Medical Marijuana Users

Client alert, 4.26.2017

Labor and Employment Alert: Court Holds That Selling Medical Marijuana at Work Is Not Protected Conduct

Client alert, 4.20.2017

Labor and Employment Alert: West Virginia Becomes the 29th State to Permit Medical Marijuana

Client alert, 4.13.2017

Labor and Employment: Maine Delays Most of Its New Recreational Marijuana Law Until February 2018

Client alert, 11.18.2016

Labor and Employment Alert: Sometimes the Grass Really is Greener -- Recreational Marijuana Legalization Trend Continues

Client alert, 11.16.2016

Labor and Employment Alert: Red State, Blue State, Green State -- Medical Marijuana Legalization Trend Continues

Client alert, 8.22.2016

Client Alert: The Complexity of Trademarks in the Marijuana Business

Client alert, 6.9.2016

Labor and Employment Alert: Ohio's New Medical Marijuana Law Preserves Employers' Rights

Client alert, 5.2.2016

Labor and Employment Alert: Bi-Partisan Medical Marijuana Legislation Introduced in Ohio

Client alert, 1.21.2016

Labor and Employment Alert: Court Rules That Employer Need Not Accommodate Medical Marijuana Use

Client alert, 6.19.2015

Labor and Employment Alert: Even 'Lawful' Employees Can Still Be Fired for Using Medical Marijuana

Speaking Engagements

Event, 9.8.2023

MWBSA 2023 Academic and Leadership Conference

Event, 8.30.2023

The Combined Effect of Alcohol and Cannabis on Driving Impairment

Event, 8.18.2023

OACTA Litigation and Trial Skills Workshop

Event, 10.20.2020

Knueve Speaks at the 2020 RILA Retail Law Conference

8.20.2019

OBL Cannabis Banking Conference

6.19.2019

Dazed and Confused: Regulatory Uncertainty Around Cannabis in Ohio and What You Need to Know to Evaluate Your Risk

2.6.2019

Cannabis on Campus

6.5.2018

Ohio Hospital Association Annual Conference

3.14.2017

Government Spotlight: Medical Marijuana

Hosted by the Columbus Chamber of Commerce

9.9.2016

Workers' Compensation Annual Client Briefing

Hosted by Vorys, Sater, Seymour and Pease

12.8.2015

Marijuana: Is it Coming? Are you Ready?

Hosted by the Ohio State Bar Association

Fall 2015

Issue 3 and the Legalization of Marijuana