

# THE COLORADO EXPERIMENT

At the start of 2014, the state made history by becoming the first in the nation to sell recreational marijuana. Are we witnessing the beginning of the end of pot's prohibition?

BY SERENA RENNER

**S**pace Gallery looks like the scene of any art opening in Denver, Colorado. The white-walled warehouse, just south of downtown in the edgy Santa Fe Arts District, is adorned with abstract paintings, and a crowd of mostly 30- and 40-somethings sip local beer and wine while a five-piece brass band crescendos from a classical concerto to an Indiana Jones theme.

Most of the action is on the surrounding patio, where women in cocktail dresses and men in button-downs and blazers gather, between food trucks and Popsicle vendors, and talk politics with the giddy excitement of campaigners at an election party. All in all, it's an ordinary night in Colorado's largest city. Except for one noticeable addition – pungent plumes of marijuana smoke that even the plastic-lined fences can't prevent from wafting out into the warm Denver night. The air is hazy, but no one bats an eye.

These men and women are advocates and entrepreneurs involved in Colorado's newly legal marijuana industry. They're here to support an event called Classically Cannabis: The High Note Series. The BYOC (bring your own cannabis) fundraiser for the Colorado Symphony is sponsored by marijuana companies whose merchandise tables are littered

with stickers, T-shirts, and glass stash holders emblazoned with names like Gaia, The Farm, and Wellspring Collective.

As joints and vaporizer pens (like e-cigarettes for cannabis) light up, attendees speak of expanding their businesses, lobbying for regulation changes, and worries about Governor John Hickenlooper – “a beer guy.” A young marijuana enthusiast, whose shoulder-length hair grazes the collar on his shirt, says he just moved to Denver from North Carolina to work for the Wellspring Collective dispensary. “It's so nice not to worry about going to jail for pot,” he says.

Another man in a dark suit is Bob Eschino, the owner of the prominent marijuana-infused chocolate bar company Incredibles. He tells me the cannabis industry is growing faster than any other segment in the U.S. and that millionaires or billionaires are calling every week to try to buy the company. By the end of 2015, he plans to be open in Washington, Oregon, California, Nevada, and New Mexico. “There's a lot of money to be made all around the cannabis business,” Eschino says.

Six months after Colorado began its social experiment on the legal production, sale, and use of recreational cannabis, a profitable industry was established. Between January and the end of 2014, the state raked in \$63.4 million in sales taxes from medical and recreational pot. Grow operations, MIP (marijuana-infused product) kitchens, and cannabis testing labs filled vacant warehouses, and run-down neighborhoods where these operations set up shop have started to gentrify. Nearly 12,000 licenses have been granted for cannabis jobs. That doesn't include ancillary businesses (the ones that don't touch the product) such as electrical engineering (for all those indoor growers); marketing agencies like Cannabrand; or the weed marketplace and social network Cannabase – which has already trademarked the term Cannalytics. There are now more than 800 outlets in Colorado where customers can buy pot legally, the majority in Denver. And at least once per month, anyone looking can find a public weed-infused dinner, art class, yoga workshop, or concert (such as the High Note Series) to attend.

SHUTTERSTOCK

But is it safe? “It's so nice not to worry about going to jail for pot,” says a man who recently moved to Denver from North Carolina to work in a dispensary.

## THE SYMPHONY EVENT MOVES TO

a second gallery down Santa Fe Drive around midnight for an after-party. The energy and crowd has mellowed to the pace of a late-night lounge, and some people are noticeably retreating into their own heads. I'm about to become one of them, but then I walk into a *Marie Claire* photo shoot upstairs and get a second wind. Four female cannabis entrepreneurs are posing shoulder-to-shoulder on a love seat wearing brightly colored dresses. It could be a cover image for a *Desperate Housewives* DVD, if the woman in the center wasn't puffing on a massive joint. On a nearby table, there are chocolate-covered strawberries and truffles studded with chopped walnuts. Next to them lies a green napkin with the words THESE ARE EDIBLES, underscored and spelled out in capital letters. (Edibles, for the uninitiated, are pot-infused foods, hence the warning.)

This is neither the inner city nor the *Fast Times at Ridgmont High* pot scene one might imagine. These "ganga-preneurs" are educated, tech savvy, political, and business minded. And all of them are walking the shaky tightrope between state and federal law to be the first of their kind in a, ahem, budding industry. It's the new Wild West. A state that boomed during the Gold Rush, Colorado is now pioneering the so-called Green Rush, and a new wave of Americans – from youthful pot-fanciers to families looking to treat their epileptic children – are moving in. Industry cowboys are being watched closely by their own government and that of 49 states and Washington, D.C. Big business is watching, too; cannabis companies are now traded on Wall Street, and there are rumors that Marlboro and Monsanto will try to cash in. Judging by the momentum here along with the legalization efforts sweeping the nation – Oregon and Alaska went legal last November; California and four other states are expected to follow in 2016 – the end of cannabis prohibition seems not only probable, but near. Whether or not the public approves, the Rocky Mountain industry is crossing state borders, just like the marijuana smoke evading that plastic-lined fence.

More than half the states as well as the District of Columbia have loosened enforcement of a drug law that originated in 1937. Four years after the repeal of prohibition, the Marijuana Tax Act imposed an excise and tight restrictions on cannabis.

American use of marijuana as medicine began more than 100 years before that, however,

and industrial hemp production – growing the woodier, non-psychoactive cannabis varieties for commercial products, namely cord and canvas – was ubiquitous throughout the 19th century. Hemp flourished in Missouri, Illinois, and, most notably, Kentucky, but the industry was on the decline by the time the Marijuana Tax Act dealt its blow.

Many historians believe the law intended to demonize what was then characterized as a dangerous Mexican herb. The anti-marijuana crusade that included the film *Reefer Madness* ensued, and public opinion as well as criminal enforcement waxed and waned until the War on Drugs, specifically the Controlled Substances Act of 1970, put marijuana in its current place: on the list of Schedule 1 drugs – those with "no medical benefit" and a "high potential for abuse" – alongside heroin and Quaaludes. To put this in perspective, cocaine and methamphetamines are Schedule 2.

The tide started to swing in the direction of cannabis reform when California voters passed Proposition 215, the Compassionate Use Act, in 1996. This law replanted the concept of medical marijuana back into the American psyche and created a cannabis industry, albeit a messy one, that today produces enough pot to supply the nation. Since the Prop 215 campaign famously broadcast marijuana's appetite-boosting benefits for AIDS and cancer patients, there

has been a slew of evidence showing positive health benefits for patients with conditions ranging from post-traumatic stress disorder to multiple sclerosis. There could be social benefits

**"We've got a federal law that makes marijuana a crime. We have state laws that can't overrule that federal law but nonetheless say it's lawful. ... It's pure chaos."**



High note: A run-of-the-mill fundraiser for the Colorado Symphony – but for the pungent plumes of marijuana smoke on the patio.

as well. A 2012 *Journal of Law and Economics* paper by Mark Anderson, Benjamin Hansen, and Daniel Rees finds that the legalization of medical marijuana leads to fewer traffic fatalities involving alcohol, a relationship the authors believe is due to young adults drinking less as cannabis becomes more available.

While a majority of Americans are now in favor of legalization, worries about cannabis remain. Research on the drug in the U.S. has proved challenging given its Schedule 1 status, so there's still a lot we don't know. A 2012 study from New Zealand posed that marijuana may have detrimental effects on the developing brain, and there are concerns that alcohol-style legalization will increase consumption, both among youth and the people who are already the heaviest users.

Colorado's role in the story begins in 2000 when its Amendment 20 (similar to California's Prop 215) legalized the purchase and possession of limited amounts of medical marijuana by patients and their primary caregivers. In 2009, that law was amended to allow caregivers to work with as many patients as they liked. This caused the demand for medical marijuana to skyrocket, effectively opening the floodgates to dispensaries, retail outlets that allowed patients with a prescription to become member customers. In the following six months, the number of marijuana businesses jumped from 50 to 650. By the end of 2009, there were eight times as many licensed medical marijuana cardholders as the previous year. The regulation scheme that followed ultimately paved the way for Amendment 64 – a constitutional end to marijuana prohibition in Colorado – which 55 percent of state voters and 66 percent of Denverites approved on November 6, 2012. (On the same day Washington state passed its own version of legalization.) The Cole Memo, an intentionally vague decree from the Department of Justice, was announced in August 2013, suggesting that the federal government would not intrude on the rights of these two states to legalize pot. In effect, the memo granted Colorado and Washington a hall pass to begin their jobs as cannabis labs for the nation.

Looking back on the events of the past two years, Denver city councilwoman Mary Beth Susman can still hardly believe legalization passed. A sparky blonde who doesn't look her age, Susman had never even seen marijuana until she moved from Omaha to Denver to attend Denver University in the 1970s. There, she witnessed anti-war demonstrations – the heady scent of cannabis is ingrained in such memories. "But then we all grew up, became parents and full-time workers, and I didn't really think about it again until this came true," she says.

Susman voted against Amendment 64 because she thought putting recreational marijuana into the state constitution sounded silly. But as president of the city council at the time, she had to help regulate it. "The complexity and number of issues we had to solve were amazing. There were times I would start giggling because of the

ways in which we had to think about things. When we were trying to figure out how much marijuana a person should be allowed to buy, someone recommended a 16th of an ounce, because if you were going to smuggle it, you would have to go in and out of a store 256 times to get a pound," Susman laughs.

"And then there were the questions of whether you have to be a Coloradan to buy it. What are we going to do with the borders? Can people use it in public places or only in private? And what distance do shops need to be from schools? The puns abounded. 'I'd like to highlight this point,' you know?"

What resulted is a policy that permits adults over 21 with a valid Colorado ID to purchase up to an ounce of marijuana, while visitors are limited to a quarter of an ounce. Neither residents nor tourists are allowed to consume cannabis in public or while driving. Perhaps most challenging, the state had to figure out how to operate as a bright blue island in a sea of red states and navigate the murky waters between state legalization and federal prohibition. Even less obvious aspects of Amendment 64 – the original "vertical integration" mandate that required stores to own 70 percent of production, for example – are questionable under U.S. law. "What we have here is a state of rampant confusion," says Peter Hutt, a D.C. lawyer who helped write the Controlled Substances Act of 1970. "We've got a federal law that makes marijuana a crime. We have state laws that can't overrule that federal law but nonetheless say it's lawful. We have the president who undoubtedly smoked marijuana and indicated that prosecution is a waste of time. We have the attorney general turning a blind eye, and we have U.S. attorneys and state attorney generals doing whatever the devil they want. It's pure chaos."

## A FEW DAYS AFTER CLASSICALLY

Cannabis, I head to a café called Stella's in the Old South Pearl district to get a cannabis science lesson from Max Montrose, a marijuana advocate and educator whose rusty beard matches the rims on his rectangular glasses.

When I arrive, he's sitting under an umbrella on the side patio tapping furiously on his laptop. He says he's helping to develop a curriculum for the marijuana industries responsible vendor program, which is loosely based on the one for alcohol. The alcohol program covers everything from checking IDs to determining intoxication levels based on number of drinks. "Those are important parts, but for cannabis they don't matter half as much as a vendor knowing the product they're serving to people," Montrose says.

This issue hits close to home since Montrose has a condition called psychomotor agitation ("it's like ADD on crack"). In extreme cases, his thoughts can intensify and discombobulate to the point of physical tics like standing on his toes or pulling on his fingers without realizing that he's doing it. He learned the difference between the two main

types of cannabis – *sativa* and *indica* – when he saw how each affected his study habits in college. When he learned that sativas help him focus, he threw his Adderall and Ritalin in the toilet. “If I can know for sure that this is a sativa then I know I’m going to be able to pay attention,” he says. “If I smoke an indica, I’m going to be drooling in my seat.”

“But cannabis is really, really complicated science,” Montrose continues. “Based on your age, your weight, your sex, your metabolism, and the potency of the bud, you’ll have different reactions.”

The underlying reason for differential effects on different people is because cannabis is made up of organic chemical compounds called cannabinoids for which humans, along with many other species, have receptors. This endocan-

nabinoid system regulates everything from sleep, to pain, to immune functioning, which scientists think could explain why cannabis has been helpful in treating such a wide range of ailments. Delta-9-tetrahydrocannabinol – THC – is the most active and famous of marijuana’s 80 some cannabinoids since it has the most psychoactive properties. But other compounds like cannabitol (CBN) and cannabidiol (CBD) have drawn recent attention for offering health benefits to patients without getting them high. CBD has been the subject of many articles as well as Dr. Sanjay Gupta’s 2013 *Weed* documentary for its use in the treatment of childhood epilepsy. Sativas and indicas contain different ratios of these cannabinoids, and today, they’re crossed and hybridized into infinite strains, each with its own clever – some would

say ridiculous – brand name. “The most famous strain right now that all the stoners are looking for is Girl Scout Cookies,” Montrose says. “If you’re working in a dispensary and have a crappy bud that’s not moving and your boss says ‘sell that bud,’ you call it Girl Scout Cookies and it will be gone by the end of the day.”

It’s time to see how cannabis businesses are faring, so I walk across Pearl Street to Pink House, an inviting dispensary marked by a green cross – the unofficial emblem of medical marijuana – hovering over the front lawn of an old Victorian building that’s painted pastel pink. Inside, three antique chairs, upholstered in bohemian fabrics, back up to an old staircase; the surrounding walls are coated pink and green. It hardly even smells like weed. **Continued on page 88**



Nearly normal? Pink House, a popular Denver pot dispensary.

FROM THE ARCHIVE

# THE WEED REPORTS

**B**y the 19th century, marijuana was an ingredient in many medicinal products and sold openly in public pharmacies, even advertised in mass magazines like the *Post*. From the late 1800s through the 20th century, the *Post* published numerous accounts of the marijuana experience, including one by Jack London (see “Hasheesh Land,” below) as well as editorials pro and con.

## OUR BUZZED WRITERS

### Like a Dream

**August 3, 1878** — Taken in moderate doses [hasheesh] produces a kind of intoxication that is very pleasant, highly advantageous for a correct knowledge of intellectual phenomena, and at the same time free from serious consequences. ... Hasheeh produces a sort of sleepiness during which external objects assume fantastic forms, and all is like a dream.

—“*Sanctum Chat*”

### A Realm of Ineffable Peace

**July 25, 1885** — About 5 o’clock in the afternoon of one of those delicious days with which we are often blessed in early June, I valiantly swallowed a 15-grain dose of the magical Eastern drug, the “insane root,” as Bayard Taylor irreverently calls it.

The scene about and above me was glorious in the calm of its perfect

beauty. ... The happy moments passed unconsciously away; the sun neared the horizon, lingered as it were, lovingly upon its boundary and then dipped, waned, and at length wholly disappeared. ...

It is hard to embody in words the feelings which so powerfully possessed me. The influence of the terrible spell which bound me became rapidly intensified. I attempted to walk across the floor, and, for the first time, one of the most ordinary and universal of hasheesh illusions seized upon me. ... I shrink from attempting a description of the visions — let me rather call them the revelations — that followed. Up through the spaces of a realm of ineffable peace I floated in the stillness of the sunlight that has never known a cloud.

—“*Within the Veil*” by James E. Mears

### Hasheesh Land

**April 26, 1913** — In past years I have made two memorable journeys into that far land. My adventures there are seared in sharpest detail on my brain;

yet I have tried vainly, with endless words, to describe any tiny particular phase to persons who have not travelled there.

I use all the hyperbole of metaphor, and tell what centuries of time and depths of unthinkable agony and horror can obtain in each interval of all the intervals between the notes of a quick jig played rapidly on the piano. I talk for an hour, elaborating that one phase of Hasheesh Land, and at the end I have told them nothing. ... Let me talk with some other traveler in that weird region, however, and at once am I understood. A phrase — a word — conveys instantly to his mind what hours of words and phrases could not convey to the mind of the non-traveler.

—“*John Barleycorn*” by Jack London

## OUR SURPRISING OPINION PIECES

### Don’t Jail Addicts — Treat Them!

**July 28, 1956** — Many years ago, when I was a stripling, I sat listening to a group of elderly men gossiping in a country store. They were denouncing the evils of cigarette smoking, a vice that was just coming in.

This store had on its shelves a jar of eating opium, and a carton of laudanum vials — 10 percent opium. A respected woman in the neighborhood often came in to buy laudanum. She

was a good housekeeper and the mother of two fine sons. Everybody was sorry about her laudanum habit, but no one viewed her as a sinner or a menace to the community. We had not yet heard the word “addict,” with its sinister, modern connotations.

Since those days, public opinion has done a complete about-face. The “sin” of smoking cigarettes, in 50 years’ time, has become a socially acceptable habit, while drug addiction has been promoted by hysterical propaganda to the status of a great national menace.

As an example, one prominent official has said that illegal heroin traffic is more vicious than arson, burglary, kidnapping or rape, and should entail harsher penalties. Last May 31, the United States Senate went even further, in passing the Narcotic Control Act of 1956. In this measure, third-offense trafficking in heroin becomes the moral equivalent of murder and treason; death is the extreme penalty, “If the jury in its discretion shall so direct,” for buyer and seller alike, whether addicted or not.

In my opinion, the lawmakers completely missed the point. For drug addiction is neither menace nor mortal sin, but a health problem — indeed, a minor health problem when compared with such killers as alcoholism, heart disease and cancer. ...

Marijuana has been used as an

intoxicant for about 3,000 years that we know of, mostly in Asia and Africa. ... In 1938, much talk about the addiction of school children to marijuana, and of crime due to the drug, led the mayor of New York City to ask the New York Academy of Medicine for advice. ...

The report showed ... no association between marijuana and crimes of violence in New York. Further, the committee reported that there was no organized traffic in marijuana among New York schoolchildren. This valuable scientific paper was severely criticized by “drug-menace” extremists. Yet there have been four other studies in this country and two in Mexico which failed to show a connection between marijuana and crime.

Distorted news has prepared the public to support extreme measures to suppress imagined evils. ... What happens under such laws? In one case, a man was given 10 years for possessing three narcotic tablets. Another man was given 10 years or forging three narcotic prescriptions — no sale was involved. And another 10-year sentence was imposed on a man for selling two marijuana cigarettes, which are just about equal in intoxicating effect to two drinks of whisky. Extremists have gone on to demand the death penalty.

...Thomas Jefferson, distressed over the ravages of alcohol, once said that a great many people spent most of their time talking politics, avoiding work, and

drinking whisky. One wonders what he would say today if some muddled citizen warned him that opiates were rotting the moral fiber of our people. I suspect that he would advise his informant to take care, in walking down the street, lest he stumble over one of our 4.5 million alcoholics and break a leg.

—“*Let’s Stop This Narcotics Hysteria!*” by Laurence Kolb, M.D., psychiatrist and chief of the Public Health Service Mental Hygiene Division

### Pot on Campus in the ’60s

**May 21, 1966** — When so many are certain that the law is wrong, illegal activities become a huge game like the activities many Americans indulged in during prohibition. When you considered liquor harmless and fashionable, the fact that it was illegal seemed laughable. College students today feel that way about marijuana. Pot smokers, to a man, find their vice “enjoyable” and “harmless.” They deny that student users graduate to heroin... By general medical agreement, marijuana is non-addictive. It almost never leaves a hangover. It is less damaging, physically, than alcohol. Some psychiatrists and doctors believe that the drug should be legalized, and eventually will be. They predict that marijuana will someday rival liquor as the prime social intoxicant.

—“*Drugs on the Campus*” by Richard Goldstein

I don't have a doctor-issued "red card" to purchase medical marijuana here, so I sign up for a visitor's badge, which the marketing director on duty, Joe Rothberger, says allows me to look but not buy. (Pink House was then in the process of obtaining its license to sell marijuana for recreational use at this location.) At one end of the shop, a semicircle-shaped display cabinet showcases two-dozen glass jars brimming with marijuana buds from strains like Chem OG and Nigerian Nightmare. I scan the labels for Girl Scout Cookies, but alas it's not on the shelf. Nigerian Nightmare, however, is dark purple and high in CBD, that "miracle cannabinoid" that studies suggest has anti-inflammatory and anti-anxiety properties yet doesn't get you stoned. Nigerian Nightmare only has 5 percent THC, the psychoactive component that currently goes up to about 35 percent in smokable pot. Prices here are anywhere between \$23 and \$60 for an eighth of an ounce, depending on membership status and the product.

Like most medical and recreational shops, Pink House also sells paraphernalia and cannabis-infused products from sodas to lollipops. The company has been around since 2009 and is now a household name with six stores, one grow facility, and another grow on the way. (A "grow" is almost always an indoor facility, using broad-spectrum lights that enable year-round production.) Unlike most marijuana businesses, Pink House offers health insurance to its employees and donates money to local charities, says Rothberger.

There's still a lot of bureaucracy that comes with growing and selling a drug that's illegal at the federal level, Rothberger adds. There are steep taxes and fees as well as an ever-changing set of regulations from outdoor sign limitations to the state tracking system intended to weed out (sorry) the black market. In Colorado, every plant is tagged with a radio-frequency Marijuana Inventory Tracking Solutions (MITS) device that has its own 24-digit identification number. "Commercially, we're able to produce almost a metric ton of marijuana every year from one facility, and not one gram goes untracked," Rothberger says. "It takes an overwhelming number of people to stay compliant."

But the biggest challenge is still banking, he says. Despite efforts by the state and federal governments to ease hurdles, banks are still dropping marijuana clients every day because of liability. Pink House went through a phase where it lost multiple accounts in a single month, and the owners still face difficulties growing the business when they can't get a loan or line of credit.

"If you were to go to a bank and say, 'Hey, I'm trying to build out this 5,000-square-foot facility, and I need a loan to buy 200 lights that each cost \$2,000,' the bank teller would look at you and say, 'Marijuana business? Get out.' And it's not even cordial."

Jennifer Beck, co-founder of the wholesale marketplace and social network, Cannabase, had a similar experience. Despite the fact that Cannabase is an "ancillary business" that doesn't touch the product, her company coffers as well

as her personal and credit card accounts were closed. "You can't get a bank account. You can't get insurance. You try to apply for trademarks, copyrights, and patents, but those are all managed at the federal level," Beck says.

This self-described "rule-follower" says the industry still feels like a risky underground that's evolving all the time. What's worse is the bad apples who hurt the people trying to do things the right way, she adds. One memorable story involved the edibles company At Home Baked extracting ingredients using a dirty washing machine. "Everybody in the industry is playing by their own set of rules; there's no standardization," Beck says. "In the one sense, that gives you the freedom to start making some of the rules. And that's how you can become a really big business. On the other hand," she pauses, flashing a weary smile, "that's how you just get really tired."

## AS ONE WOULD EXPECT, THE RAPID

commercialization of cannabis in Colorado has fierce critics. After the passage of Amendment 64, Denver resident and mother of four boys Gina Carbone co-founded Smart Colorado because she was concerned about the impact the industry could have on the community and its youth.

Although the government is responsible for restricting advertising, prosecuting anyone who sells marijuana to individuals under 21, and introducing educational campaigns focused on research showing that marijuana may have negative impacts on developing brains, people are worried, Carbone says. Seventy percent (181 in total) of Colorado municipalities have opted out or have a moratorium on allowing marijuana to be sold in stores.

The legalization campaign sold Colorado voters on decriminalization, not commercialization, according to Carbone. "The [800-plus] figure for marijuana shops in Colorado is ridiculous," she says. "The industry wants to integrate itself into the fabric of our society, which I find so disturbing. It's making money while our kids are paying the price as guinea pigs."

The state of Washington, by contrast, put a cap on the number of shops and production spaces and has been tougher on edibles. The challenges with edibles in Colorado, including a spate of accidental ingestions by children, prompted the state health department to propose scrapping edibles all together last October. "Forget just all the snacks and sodas, they have popcorn, pizza, ice cream, and salad dressing," Carbone says. "We have absolutely no regulations on what can become an edible."

Then there are the "vape" pens, e-cigarette-like devices with a battery-powered heating mechanism that vaporizes the active molecules in marijuana oils. Some are disguised as highlighters and asthma inhalers, Carbone says. "They're doing it right in the classroom. They're not even going to the bathroom anymore."

In the bigger picture, the Colorado model doesn't adequately address drug abuse, says Mark Kleiman, a professor

of public policy at the University of California, Los Angeles, who has spent decades studying U.S. drug policy. Lawmakers have expressed concern about substance abuse in minors, but not about substance abuse disorder among adults, he says. By July 2014, heavy users – defined as those who consume marijuana every day – were driving almost 70 percent of demand in Colorado, according to a Department of Revenue report.

The Colorado system is an example of an American ideology that has no room to support temperate policy, Kleiman adds. “Everybody is assuming that we’re stuck with either prohibition or with alcohol-style legalization,” he says. “We’re leaving out state stores. We’re leaving out non-profits, co-ops, and grow-your-own models.”

But Kleiman, who predicts national legalization will happen “sometime in Hillary’s second term,” worries the damage may already be done. “By the time we’re ready to legalize nationally, cannabis will be legal commercially in so many states that we’re not going to be able to overrun that industry.”

People on all sides of the issue wonder if medical cannabis treatment could be better carried out by doctors at pharmacies rather than “budtenders” at dispensaries. According to Kleiman, medical marijuana laws were a response to the federal government’s refusal to approve cannabis research and develop naturally derived medicines. “The drug warriors managed to suppress the development of genuine medical cannabinoids at the cost of unleashing the medical marijuana demon, which has led to national legalization,” Kleiman says. “A pharmaceutical-based system would actually allow the medical use of cannabinoids, and we could have had the argument about legalization on other grounds.”

**MATT BROWN IS ONE OF THE** biggest players in the Colorado Green Rush. I had been in touch with Brown in early 2014 when he was still buzzing from those surreal first days of recreational weed. “If you can legalize pot, you can do anything,” he beamed during a Skype call. We made plans to meet during my trip to Denver.

Originally from Missouri, Brown once worked as an analyst for Bloomberg and a sales strategy consultant for Accenture before moving to Colorado and becoming a cannabis entrepreneur. He helped write medical regulations in 2010 and spoke publicly about how marijuana helped his Crohn’s disease. He became the state’s first medical marijuana industry advocate; worked as a consultant to cannabis businesses; helped formulate the base product of the popular Dixie Elixirs sodas and tinctures; obtained the first medical marijuana research license in Canada (where he has dual citizenship); and started SproutHouse, a research incubator for cannabis innovation. Last year, a Connecticut-based agricultural development company called Greenhouse Solutions offered to buy SproutHouse for half its stock value. At the end of 2014, half the value was \$34 million. Brown

walked away from the deal.

We get together at the headquarters of evolab (spelled with a lowercase e), a company that makes pure cannabis concentrates: potent waxes and oils produced by extracting the various cannabinoids from the cannabis plant. Among the many cannabis-derived nutraceuticals SproutHouse is developing – health-focused oils and serums that don’t get you high – Brown envisions creating a mass-market base product of pure cannabigerol (CBG) that could one day hit the shelves of Walmart. While not studied nearly as much as THC or CBD, CBG is believed to have similar health benefits as CBD while also acting like a stem cell for cannabis – meaning it can transform into other cannabinoids with the right mix of enzymes. Such a product requires a high-tech extraction method like the one used by evolab, scaled-up for bulk production.

When I show up to the warehouse, tucked beside an auto junkyard not far from a refinery and a trucking center, I can’t help but picture scenes from *Breaking Bad*. Here, Brown and I sit in a shabby meeting space to talk business and hash oil with evolab’s founder Alex Cahoj. “It’s like I’m working five different acquisition deals this week,” Brown says, by way of introduction. “There’s a software company and a hemp producer. I’m talking with another company that’s doing pharmaceutical research.”

Cahoj follows up with the story of how he grew evolab from his basement to this facility near Commerce City. A tattoo-armed outdoor lover, Cahoj once worked in banking and real estate; now he makes cannabis pastes and oils as well as an erotic line and topical ointments designed to relieve pain. “We make a salve right now that we call the Angel Salve,” he says. “It has about 225 milligrams of THC and 40 milligrams CBD in a four-ounce bottle. It helps with arthritis and muscle and joint pain. Customers will buy 10 bottles at a time.”

People have been using or consuming concentrates for at least a decade, but the advent of better extraction methods has resulted in a huge spike in the local demand for hash oil – a sticky, yellow resin made from parts of the cannabis plant that used to be considered waste. Concentrates can reach up to 90 percent THC but usually hover in the 50 to 75 percent range. They’re good for a quick high or fast relief from acute pain.

Concentrates took off in the past few years when people started making them at home by pumping a tube of loose marijuana with butane gas, Brown says. The byproduct is called butane hash oil, BHO, also known locally as *honey oil*, *earwax*, and *shatter*. People generally consume it by *dabbing*, that is, torching it on a nail or knife and inhaling, though vaporizer pens are a safer alternative. The danger of production – *The New York Times* reported 32 Colorado home explosions in 2014 – as well as a growing fear about residual solvents like butane has led to better extraction techniques such as those using CO2. Evolab is one of the few companies making clean concentrates from the car-

bon dioxide that’s naturally released from cannabis during extraction.

Cahoj recently spent \$700,000 on pharmacy-grade equipment from a healthcare company called Pic Solution that will double output in one-sixth of the time. It can also isolate compounds so the company can study the effects of individual cannabinoids on customers. “Our goal is to separate the compounds and create custom blends for different applications,” he says.

Evolab has an arrangement with Pic Solution to take the company’s equipment to several other states. “We project expansion into at least 12 markets in the next three years,” Cahoj says.

**WHETHER THE COUNTRY IS READY** or not, Colorado businesses like Incredibles, Cannabase, and evolab are making their way into other medical-marijuana states as well as Oregon and Alaska, which approved recreational marijuana last November. These entrepreneurs believe federal approval for what could be a \$40-billion-a-year American industry cannot be too far off.

Jennifer Beck, who recently launched a beta version of her Cannabase marketplace and map in Oregon and Washington, says the news is no longer about what Colorado is doing, but all the action spreading outward from the Mile High City. “There’s a feeling that we can’t get to every state fast enough,” Beck says. “Not only is this going to happen, it’s happening quickly. That’s where everyone’s mind is at: expansion.”

A November 2014 Pew Research Center poll found that a slim majority of Americans, 52 percent, now favor legalization. Supporters of marijuana for medicine are as diverse as Dr. Sanjay Gupta and Texas Governor Rick Perry. Sixty-nine percent of Americans consider alcohol more harmful to a person’s health than cannabis.

The Brookings Institution notes that the majority of support for legalization is driven mostly by discontent with prohibition’s effectiveness rather than outright approval. The same trajectory led to the collapse of alcohol prohibition in the 1930s.

While legislators and citizens cast their votes, the green economy in Colorado will keep humming. Yes, there are cowboys to wrangle and messes to mop, but industry proponents are quick to point to the state’s growing tax revenues, significant job growth, and the fact that “the sky hasn’t fallen.” In the words of councilwoman Mary Beth Susman: “Denver’s experience has been pretty vanilla.”

The gate is open in Colorado, and Americans are passing through. They are coming from all over the country to medicate, speculate, or find freedom in the Wild West.

*Serena Renner writes about culture and the environment for Sierra, Afar, and Renegade Collective magazines. She reported the opening scene of this article right before a banana-coconut chocolate bar “edible” kicked in.*

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