

Cannabis Inc.

<http://www.abc.net.au/foreign/content/2014/s4027079.htm>

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Very soon in America marijuana will be slickly branded and sold by men in suits - or at least the multi-million dollar companies they're setting up to cash in on the state-by-state legalization of dope.

It's happening in states that have long embraced a system enabling the dispensing of medical marijuana. Colorado's gone legal. Next month Washington State will become the second state to fully legalise marijuana.

Just like alcohol, if you're over 21 you'll be able to buy it.

In anticipation of the new laws, big businesses are jockeying for the jump in this booming market. New products and gadgets are being developed and refined. They're polishing marketing and sales strategies and defining their brands, much like cigarettes, for retail release.

A report commissioned for the White House says the medical and illicit cannabis industry is worth \$40B per year. Cannabis Inc. is busily convincing state legislatures and the federal Government as well that \$40B is better off out of the black market and in the sight of the taxman.

America's new-wave of pot entrepreneurs couldn't be more different to those of the past. They've ditched the hippy-clothes, rasta-plaits and pony-tails for thousand-dollar suits, business plans and MBAs.

Yale grads Brendan Kennedy and Michael Blue have started America's first private equity company, Privateer Holdings, dedicated entirely to the cannabis sector.

"I'm not sure I could work in the tobacco industry. I'm not sure I could work in the alcohol industry. But having talked to so many who are interested in individual civil liberties we feel there's some moral imperative to succeed." BRENDAN KENNEDY – Privateer Holdings

Privateer is busy raising \$100m for its next investment round. Minimum entry stake: \$1m. And they're refining their brands under the retail banner Tilray.

"For us it's about reaching the biggest audience with the most professional brand." MICHAEL BLUE – Privateer Holdings

But while there's broad public support for legalization, a growing opposition is warning that a new Big Tobacco is being created.

One of them is Patrick Kennedy - nephew of JFK, and son of Ted – and a man who's had his own long battle with drugs and addiction. He's formed a new organisation called SAM – Smart Choices on Marijuana and he's taking on big business.

"It's not about your civil liberty and your ability to smoke a joint now and again. This is about a commercial for profit behemoth coming in to prey on your kids, addict them and make money off of them and at your expense." PATRICK KENNEDY Anti-legalisation Campaigner

Patrick Kennedy has given Foreign Correspondent exclusive access to his campaign against Cannabis Inc. and we meet the new entrepreneurs.