How to Write a Successful Cannabis License Application

The cannabis licensing process is like the Ivy Leagues. Everybody can apply but very, very few succeed.

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Like many brands emerging as multi-state cannabis operators, my company routinely applies for retail and cultivation licenses across the country. The ONE Cannabis (ONE) team puts a significant amount of time into these applications, as there is no business without them. Recently, we applied for an adult-use license in a California municipality with three available slots to fill — 180 entities applied for those slots.

You could cut the number of applicants in half and still be up against long odds, which is why it's more important than ever to lead the pack.

Writing an application and winning the license are two very different things. Most large operators have a designated team that specialize in applying. After a few attempts, they craft a winning formula that gives them an advantage, though that doesn't necessarily mean they succeed though. Everything can be improved upon and each municipality has a different process.

Winning a license involves bringing all stakeholders, industry officials, financial professionals and community members together. Whether you're applying for multiple licenses or

just one, there are fundamental aspects of applying that translate across state lines. Having a straightforward, firm foundation to build your own process upon can be the difference between succeeding in your venture and heading home empty-handed.

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Participate in the public conversation.

Before you start writing, find out what you don’t know. Most jurisdictions discussions with communities before awarding any licenses. Those meetings are a fantastic way to figure out exactly what the city wants from their license holder that isn’t exactly spelled out in the application. Some are looking for specific community outreach initiatives while others are more concerned with employment standards.

Giving the community a hand to shake and a face to go with the company name can pay off considerably. There’s usually a public hearing at some point in the process at which the public can comment specifically on your business plan. For obvious reasons, this needs to go well. The best way to get the community on your side is to engage with them prior to the public hearing. Listen to what the community has to say and prove to them that your business is going to be good for everyone. To really drive the point home, commit some time to petitioning the area for support.

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Regulators are your friend.

Remember, each city has their own process, so get a clear understanding of how they operate. Different states have different expectations for transportation, security and product handling. Details are the differentiator– one municipality my team recently applied to required twice as many security cameras as Denver. Had we submitted the security plan we've used previously, we would've been out. Sift through all the info the local and state authorities make available – don't start you application until you thoroughly understand their technical expectations.

Laws and regulations are usually provided by a designated city licensing department – those departments are also a key resource. Your application will be stronger with any additional information you can gain from the people who award the license, so understand that regulators are your friend.

ONE Cannabis' motto is "compliance first, profit second" for a reason: a company is only profitable if it can adhere to city standards. Work with them and establish a professional relationship if possible. A great way to solidify those ties is to attend training workshops they provide. Half the attendees are typically regulators, and your attendance shows them you're committed to compliance.

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Nobody wins a license alone.

Running a successful dispensary takes a stellar team, and so does winning the license for it. ONE President John Darwin recently weighed in similarly on the subject. He summarized it quite well – the best advantage you can have is quality team. Hire a team of professionals from diverse backgrounds. Compliance officers, financial aces and technical writers are

indispensable and can typically be contracted out if necessary. Diversity has more than one meaning as well – a team that's representative of the larger community brings more creativity and understanding to your situation.

Applications are large documents and require expertise in many fields. Leverage as many resources as possible to build out a collective that's capable of meticulous work. The investment will pay off when the license does.

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Okay, now you can start writing.

The observant reader has realized that nothing in this article, so far, has been about writing the application. Ask any writer, and they'll tell you that writing is only half of, well, writing. Good research drives the narrative.

Make sure you follow what the application is asking, not what you'd like them to know. After a few conversations with compliance officers, I was surprised to hear how common it was for applicants to spend valuable time and money on applying, only to have their final product ignore vital criteria.

Your city is going to be swamped with applications. Anything you can do to help them process in a timely and efficient manner will help your cause. You will undoubtedly have an edge if your submission is the most cohesive and accessible. Write an outline that will make English teachers everywhere proud and keep the heaps of information flowing in the same direction.

Winning a license takes legwork and elbow grease. You've got to be present in multiple arenas and surrounded by experienced professionals who can assist you. Only after you work all that out does the actual writing starts. The cannabis industry's potential, however, makes the payoff more likely every day.

Nobody needs to be told the market is booming, with more opportunities coming online around each new turn. At the center of it all is the licensing process, so do it right.

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