

# Western Law

2019 ALUMNI MAGAZINE

## COURTING CANNABIS

Alumni explore opportunities amid emerging sector

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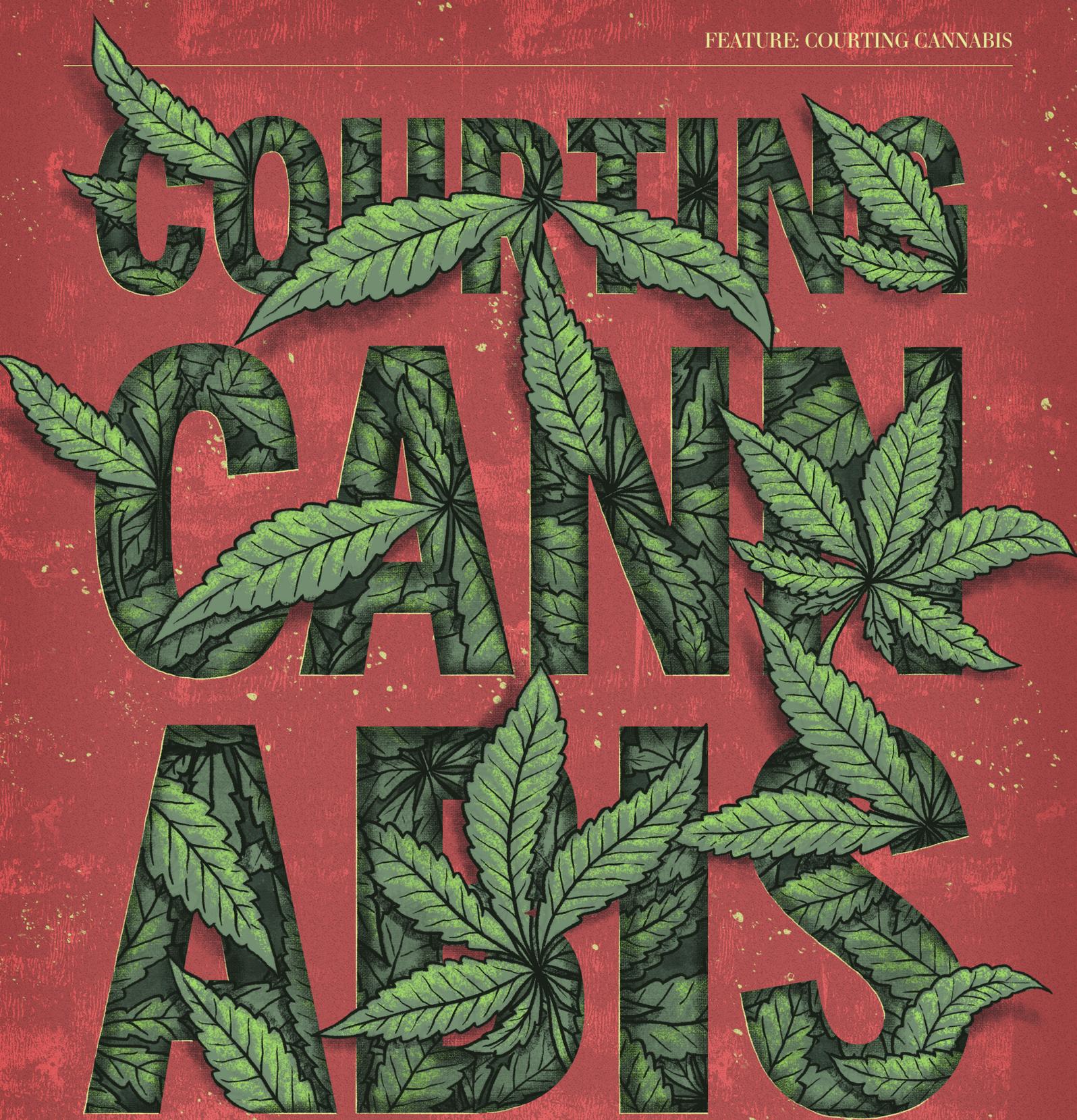
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Western



## Alumni explore opportunities amid emerging sector

Story by Jim Middlemiss | Illustrations by Frank Neufeld

**W**hen Matei Olaru, JD'15, applied for a Western Law Internship Program in his second year, little did he know the profound impact it would have on his career.

Olaru—who is now chief executive officer at Lift & Co. Corp., a cannabis marketing and information technology company—landed the Thornton Grout Finnigan LLP World Bank internship in Washington, D.C. in 2014.

He needed a place to live and his roommate turned out to be one of the main lobbyists for the cannabis industry in the United States. Olaru saw the huge opportunity that was emerging.

By the time Olaru started articling at a Bay Street law firm, Justin Trudeau announced that if elected, the Liberals would end Canada's marijuana prohibition and allow recreational consumption. Courts had already forced the federal government to allow marijuana sales for medical purposes, and that area was booming.

Olaru had a keen interest in the cannabis space – an interest his firm didn't share – so to learn more, he spent his spare time attending cannabis conferences and seminars.

He went from "kind of moonlighting", as a contractor at a Lift conference in the summer of 2015 during his articling period, to running the company in 2016, after he struck up a relationship with their CEO.

Olaru is part of a rising wave of Western Law grads making their mark in this quickly emerging industry, which Grand View Research predicts will become a global US\$147-billion sector by 2020. While each has taken a different path, all understand the near limitless potential of the sector.

Michael Lickver, JD/MBA'11, was one of the first Bay Street lawyers to co-found a cannabis practice when he was an associate at Bennett Jones LLP. When a cannabis-related deal came across his desk, he and the partners "saw that this was going to be huge."

Lickver got up to speed on the

issues and even persuaded Western Law to allow him to teach one of the first Canadian law school cannabis courses in 2015.

When Hugo Alves, a Bennett Jones senior partner, moved to Auxly Cannabis Group Inc. as President, (now CEO), Lickver followed, along with fellow Western Law alumnus Ron Fichter, JD'12.

Lickver, Senior Vice-President (Strategy) at Auxly, likens his role to chief of staff, overseeing the company's business strategy. Fichter serves as general counsel.

In its early stage, Auxly mimicked the mining industry to help finance upstart cultivators, using streaming deals to secure a steady supply of cannabis. Auxly is now into phase two of its growth strategy – building a vertically integrated international cannabis company.

Lickver embraces the pace and uncertainty of the cannabis market. He says you need a high tolerance for risk, and an ability to "move quickly and adapt to change. If you're looking for an industry with an established growth rate that is flat or curving up slightly, and want some kind of security, then cannabis probably isn't for you."

Eric Foster, LLB'06, heads the Canadian cannabis group at Dentons LLP in Toronto.

"We can't hire people fast enough," he said of the demand for cannabis legal talent. Most of the companies in this space are start-ups, even though some now have multi-billion market caps. They are young companies "experiencing the growing pains and pressures most commonly associated with start-ups."

For a lawyer, that can be exciting and challenging.

"While some people think this is a risky industry, it's the exact opposite. It's highly regulated and there's a clear set of playing rules," Foster said, stressing that he remains surprised at the "speed with which the industry has become both sophisticated and legitimized."

Mariana Fonar, JD/MBA'12, also likes the pace. She is senior legal counsel and corporate secretary at Lift & Co., where she works with Olaru.



**Matei Olaru, JD'15**  
Chief Executive Officer, Lift & Co. Corp



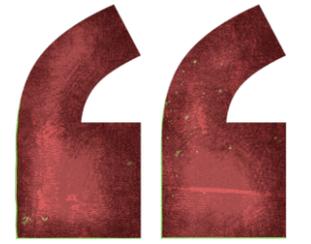
**Michael Lickver, JD/MBA'11**  
Senior Vice-President (Strategy), Auxly



**Eric Foster, LLB'06**  
Partner, Dentons LLP



**Mariana Fonar, JD/MBA '12**  
Senior Legal Counsel and Corporate Secretary, Lift & Co.



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**Eric Foster**

She says her current role “fell into her lap,” after a friend brought it to her attention when she was working at a solar company. “It’s very exciting to be with a group of trailblazers in the law,” she said of joining the cannabis industry.

“This is essentially the end of prohibition.”

Lift runs cannabis expos in Canada and Europe, bringing together business and consumers to learn about the latest products and developments in the industry.

The company was also instrumental in setting up the CannSell training program, used by cannabis retailers to train their employees.

Fonar notes that “there’s a lot of uncertainty in the industry and things can change quickly.” She says that requires lawyers to be creative and flexible problem solvers. “We have to figure out how we can make things happen.”

Olaru observes that cannabis is becoming a consumer packaged goods (CPG) business, and that means companies need data to build their brands, similar to any other CPG business, such as cereal or soft drinks. He says because Canadian regulations on what cannabis companies can and can’t say are so stringent “effective marketing and understanding consumers is paramount.”

Through its subsidiary, Dosecann Inc., Auxly is developing derivative adult-use products for the next phase of cannabis regulations – edibles and topical creams. Lickver says the federal government’s expected move into these products will be a major milestone for the nascent industry.

What excites many in the field is how rapidly the market is developing globally, and Canada, as one of the world’s first federally regulated markets, is at the centre.

At least for now.

Fonar notes that “other countries are moving very quickly and catching up. As changes happen south of the border, it’s going to change things here as well. We can’t stand still as a company and industry.”

Foster adds, “it’s a global industry” that is here to stay. “You can’t put toothpaste back in the tube.” **W.L.**

# Western Law prof plays role in cannabis training program

**R**obert Solomon knows about cannabis. For more than 45 years, the Western Law professor has been at the forefront of the cannabis debate in Canada.

He researches and writes about alcohol, drug policy and impaired driving and has had a front-row seat on the cannabis debates since the early 1970s, when he and several colleagues called for the removal of criminal sanctions for the possession of small quantities of cannabis.

“At the time, we were considered to be naïve and drug-crazed,” he said, looking back over that period.

How the world has changed. Canada is the first G7 country to broadly commercialize the recreational cannabis market and the industry is soaring.

However, Solomon now finds himself viewed as a “Neanderthal,” because “I have a lot of concerns” with the current legislation. He worries that the government has now “over-legalized and under-regulated cannabis” and ignored the risks that it poses, particularly to youth.

The federal legalization policy is not based on empirical evidence and research about the benefits and pitfalls of cannabis consumption, he said.

“One of the problems, has been the failure of the government to initiate and fund some of that research.”

Solomon argues that “once you commercialize something, public health and safety issues tend to go down the tubes. It’s as if we have learned nothing from our experience with alcohol and tobacco.”

Nonetheless, he notes, “Cannabis is not going to kill

anywhere near the number of people as alcohol or tobacco.”

Solomon has played a role in one area of cannabis regulation—the creation of CannSell, the mandatory certificate training and education program for Ontario’s budding cannabis retailers and their staff.

CannSell is similar to the alcohol SmartServe program for bar owners and their staff. It was developed as a partnership between Lift & Co. and MADD Canada, with which Solomon has had a long relationship as the National Director of Legal Policy.

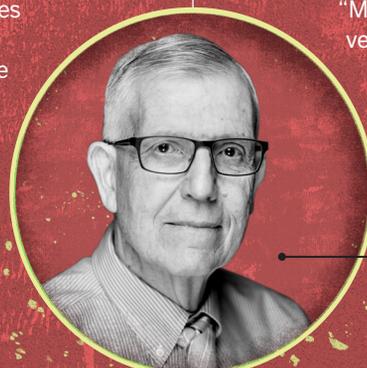
CannSell was approved by the Alcohol and Gaming Commission of Ontario as the only approved training program for private cannabis retailers in Ontario. Employees, managers and licence holders must be certified prior to working in a store.

“If we are going to have a recreational cannabis market it’s important that the people involved in the industry have a good working understanding of the law that governs their behavior,” Solomon said.

He says the mix of federal and provincial laws governing the industry is complex and Solomon reviewed and edited the program’s materials to ensure they were legally accurate, clear and spoke to a lay audience.

He worked with Western Law grad Eric Dumschat, JD’16, MADD’s in-house Legal Counsel, to ensure that the course complied with the laws.

“MADD Canada has a very strong interest in ensuring cannabis is marketed in a lawful and responsible manner,” Solomon said.



**Robert Solomon**  
Professor Emeritus