



For immediate release

## Wild West or New Frontier?

### *Shook Takes the Pulse of General Counsel on Maturation of Global Cannabis Market*

**Kansas City, Mo** (July 11, 2019) More than half of in-house counsel surveyed in a new white paper by Shook, Hardy & Bacon plan to increase legal spending in the next two years to accommodate the evolving cannabis market, with a significant growth in litigation threats anticipated over the next decade. You can read the full findings of the white paper at [www.shb.com](http://www.shb.com).

“Articles and comments from industry players (and its detractors) often invoke images from the wild, wild West, and that might be a fair assessment in that the legal landscape for these products remains unclear,” stated Shook Partner Katie Gates Calderon, co-chair of the Cannabis Law Practice.

Shook, Hardy & Bacon’s Cannabis Law Practice has released a report in partnership with ALM Media, exploring the impact of the global cannabis economy on the food and beverage, health and wellness, and consumer goods industries. The results of this in-house counsel survey show that legal departments outside the cannabis industry itself are increasingly concerned over regulatory, employment and litigation threats related to this emerging market.

“It’s no surprise that many survey respondents—particularly those in the life science, health and wellness, and personal-care product space—are already navigating complex regulatory and employment questions around the cannabis sector, while also seeking to protect their assets and investments,” notes the white paper. “But legal departments already predict that, when it comes to cannabis-related issues, the share of their legal budgets devoted to intellectual property matters will slightly decline over the next two years, even as other concerns around labeling and liability come to the fore.”

Titled “Wild West or New Frontier? Global Cannabis Market Spurs Legal Spend Across All Sectors,” the white paper draws on feedback from in-house counsel in the following areas: food, pharmaceuticals, health and wellness (25 percent); software and technology (21 percent); financial and professional services (16 percent); and retail and manufacturing (10 percent), among others. In the next decade, these companies view the following as the most pressing legal liability issues for their businesses:

- Government enforcement;
- Employment disputes;
- Consumer class actions; and
- Personal injury matters.

The legal issues are likely to occur as they navigate supply chains, contracts and regulations related to the introduction of hemp, cannabidiol oil and other cannabis-related products into commerce, where state laws often conflict with the federal prohibition on cannabis in the United States.

To this end, Shook earlier this year announced its own practice area focused on the intersection of the cannabis market with more traditional economic sectors. Led by Calderon and Shook Partner Greg Wu, Shook's Cannabis Law Practice draws on the experience of more than 30 attorneys across its 14 offices to help national and multinational companies consider risk in this emerging arena from multiple angles: indemnity, insurance, regulatory, litigation, and market-specific business risks. In addition, when and if product liability, marketing or labeling litigation occur, Shook's storied reputation as a premiere trial firm established in product liability positions the 130-year-old firm to handle these evolving issues with creative solutions.

"We have fielded a variety of calls across a wide swath of industries and looked at a number of interesting legal issues touching on areas ranging from product development, distribution and sale, legislative and public policy, risk management and supply chain management," concludes Wu in the white paper. "These questions have been as broad as 'what types of products can be sold and in what states,' to more definite inquiries regarding analyses of proposed contractual provisions for supply chain management and indemnification."

To speak to a Shook attorney about the findings, contact Shook Media Relations Manager Heather McMichael, 816.389.0419, [hcmichael@shb.com](mailto:hcmichael@shb.com)

### **About Shook, Hardy & Bacon**

Founded in 1889, Shook, Hardy & Bacon L.L.P has 14 offices in the United States and London, with attorneys and professional staff serving clients in the health, science and technology sectors in areas ranging from product liability defense and commercial litigation to intellectual property prosecution and litigation, environmental and toxic tort, privacy and data security and regulatory counseling.