

# Get Your Free Weed Samples Here! - How One CEO Lost His Job by Giving Away Free Cannabis Samples

It may work in other retail areas, but giving away free samples of marijuana is a no-no in many states.

### Posted by:

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After months of investigations, the Ohio Department of Commerce (DoC) has revoked the employee license of Ancient Roots CEO and founder David Haley. The top executive was accused of giving out samples of medical marijuana products to non-medical cannabis users. Haley misused his position as a cultivator and a processor of cannabis in the southern region of the state. He was caught distributing these products without prescriptions.

Ohio has medical cannabis laws, but recreational cannabis use is illegal. Most importantly, there are rules and regulations guiding operations within the industry. This unprofessional act executed by Haley disregards them.

## **The Backstory**

Officials of the state Department of Commerce (DoR) got word of the inaccurate records being kept by Ancient Roots LLC and the CEO's lack of professionalism displayed by giving visitors products intended for retail sales.

Investigations began in November, and now the officials have established that Haley failed to maintain proper records of his company's sales and inventory. There was also a lack of secure storage for the cannabis plants produced by the company. A look at the company's inventory system showed that some of the data was falsified and incorrect. For instance, the marijuana given out by Haley appeared to be still in the company's processing store.

The Department disclosed that many of the products given away at the Wilmington facility ought to have been distributed to medical dispensaries around the state.

When called upon to share his side, Davis Haley refused to release a statement or be interviewed.

## Haley's punishment

The Department of Commerce's (DoR) decision to strip the CEO of his employee license was unavoidable.

Giving away free samples of medical cannabis is not allowed by the guidelines, rules, and regulations provided by the Ohio Medical Control Program and Ohio's Board of Pharmacy. This provision applies to every operator licensed by the state's regulatory board. It is prohibited for cannabis to be shared at events like clubbing, job fairs, expos, or other parties. The State Legislature implemented these laws in 2016 following the majority's approval to legalize cannabis. Ohio voters supported the Issue 3 (also called House Bill 253) measure during the 2015 election.

The modified bill produced by Ohio lawmakers in 2016 maintains that it is a punishable crime to divert cannabis produced at growing facilities to non-registered residents. The program is tightly regulated to ensure things like this do not occur regularly. Haley's suspension is indefinite, department officials stated. For now, Haley is prohibited from visiting the company's cultivating facilities or accessing its records. Major Ohioan news outlets reported that Haley could appeal or challenge the judgment by requesting a hearing.

#### **The Fate of Ancient Roots**

Fortunately for the brand, the company's licenses were not affected by the founder's scandal. The results of the investigations did not jeopardize the company's licenses in any way. The company remains one of the top producers of medical cannabis in the state's southern region.

The department spokesperson refused to give any information about the allegations leveled against the company's CEO but emphasized that the company is safe. It remains unclear whether or not the allegations will be transferred to the state's law enforcement agency for further action.

As of the time this is being written, Ancient Roots is one of 27 cannabis operators with an annual Cultivator license in Ohio. The permit is issued and renewed by the Department of Commerce Medical Marijuana Control Program.

David Haley founded Ancients Roots in 2018 and is reviewing approval to operate under the state's medical cannabis program. Before this, Haley held an active role in a medical device company.

Once the company scaled through its final inspection in November 2018, it was issued a tier-2 cultivator license. This license type permits the company to cultivate cannabis crops on 3,000 to 9,000 square feet. Its cultivation space will be limited until its third year of operations; then, it will be considered for a license upgrade or a renewal.

Reports from the state's Legislature show that a proposed medical cannabis expansion bill would increase the cultivation space allocated to tier-1 and tier-2 license holders. Tier-1 operators would be permitted to cultivate an area of about 75,000 square feet or less. In contrast, tier-2 licenses would increase their cultivation to 20,000 square feet.

#### **About Ancient Roots**

The company is all about providing relief to registered cannabis patients in the state. The company's website states that its mission is to unite nature and modern science for the greater benefit of providing therapeutic relief to Ohioans. Recent advancements in science have helped companies like Ancient Roots discover the hidden benefits of medical marijuana.

The company cultivates and produces some of the highest-quality medical marijuana products and flowers. It prides itself on offering relief to those in dire need of it. Ancient Roots believes that patient needs, product availability, and access to medical cannabis education should be the industry's primary focus. Third-party labs test the processed products to ensure a consistent dosage and patient safety.

#### Recent Occurrences In Ohio's Medical Cannabis Sector

Just before the year ended, the Ohio Senate gave last-minute approval of an initiative that would boost the accessibility of residents to medical cannabis prescriptions. The bill would permit medical doctors to prescribe cannabis to patients who have a reasonable chance of benefiting from it.

Other proposed changes in the industry include the creation of a new Division of Marijuana Control within the Department of Commerce (DoR). This would streamline the regulatory structure of the state's cannabis sector.

Regarding recreational cannabis, more bills will be introduced to the legislature in the coming months to legalize the use of weed for non-medical purposes. Activists have also gathered more than 200,000 signatures to include a recreational cannabis measure on the ballots in the midterm elections scheduled to take place later this year.

#### **Bottom Line**

In the absence of its CEO, another prominent member of the Ancient Roots Board will likely step up to fill the vacant role till David Haley successfully regains his license. The safety of the company's license in the ongoing squabble means supply would not drop, and everything would continue as usual, except this time, visitors wouldn't get freebies from the company.

https://cannabis.net/blog/news/get-your-free-weed-samples-here-how-one-ceo-lost-his-job-by-giving-away-free-cannabis-samples