August 18, 2016

True Leaf Recommends Same System for Supply and Sale Of Medical and Recreational Marijuana

In a letter sent today to the Cannabis Legalization and Regulation Secretariat, True Leaf, a BC-based medical marijuana company, makes four recommendations on the future production and distribution of legalized marijuana in Canada.

Justice Minister Jody Wilson-Raybould has established a task force to advise the Canadian government on how best to move forward with its plan to legalize marijuana.

Chaired by Anne McLellan, former deputy prime minister and health and justice minister, the task force is seeking public input and will advise the government on the design of the legislation and the regulatory framework for a new system marijuana sales and distribution.

True Leaf Medicine International Ltd. is one of 400-plus companies in the process of applying for a licence to produce and distribute medical marijuana under the previous government's Marijuana for Medical Purposes Regulations (MMPR) program. The new plan to legalize marijuana will replace the MMPR process.

True Leaf Chair Michael Harcourt, the former Premier of British Columbia, has written a letter to the task force outlining the company's vision for a new plan, calling for both recreational and medical marijuana to be produced and distributed via the same system.

Mr. Harcourt's case and supporting points are contained in the letter, which is included in this message.

To interview Mr. Harcourt or True Leaf CEO Darcy Bomford, please contact:

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As the federal government contemplates the means by which it will implement its laudable commitment to legalize marijuana, a task force has been created to advise on the design of a new system. The Task Force is seeking the views of Canadians on issues that are key to that design. They will then provide the federal government with a final report.

This letter represents True Leaf Medicine International Inc.'s response to the call for public input.

PRODUCTION

Among the Canadians most knowledgeable about the safe and secure production and distribution of marijuana are those companies, including our own, which have applied to become licensed producers of marijuana for medical purposes. As one of the 416 applicants in the queue as of June 28, 2016, we agree with the government's discussion paper that this current regime could be effectively adapted for the full-scale production of marijuana in Canada.

Of course, this process was established to produce marijuana for medical purposes under regulation (MMPR), but it has also generated a repository of knowledge, expertise and skill that can be seen as a formidable asset as the government contemplates wider legalization.

There are currently 33 licensed producers who have been through an exhaustive seven-part process, and as mentioned above, another 416 who are currently working their way through the rigors of the process, which include screening, security clearance, review, pre-licence inspection and, finally, licensing.

Along the way, attrition has been extensive. Hundreds have been refused, rejected, or withdrawn. In a number of cases, products have been recalled to protect client safety. This is a comprehensively and carefully regulated sector, unlike the ad hoc blossom of illegal dispensaries around the country, which have sprouted up to be in position for legalization. Whatever the ultimate fate of those dispensaries, the quality and safety of the product has to remain paramount – and the MMPR companies provide a readymade source of supply that will comply with the strictest safety standards.

The discussion paper points out that the relatively small numbers of medical marijuana users suggests that adopting the current model would not be in the public interest in the context of the larger number of users expected in a legalized market. Yet in addition to the licenced producers, there are the more than 400 applicants at various stages in the queue, and prior to the change in government, movement through the process was characteristically slow. An intensified focus on resolving partially-completed applications will serve to increase supply, while ensuring the quality of that supply. As well, companies with licences have untapped capacity allowing for production increases.

While using an adapted version of the current model may lead to a limitation in the supply at the outset, starting from scratch or instituting a parallel process will undoubtedly introduce troubling uncertainty in quality and security of the supply (at least), as has been the case in the US states legalizing marijuana for the public. The current model, which the discussion paper calls the market-driven competitive model, offers the best start, with a large number of qualified, screened and cleared sources of supply ready to scale up and address the demand.

DISTRIBUTION

Turning to distribution: A number of options have been outlined in the discussion paper, including the through-the-mail system currently used in the distribution of marijuana for medical purposes. Another possibility is modeling the distribution system after the alcohol or cigarette distribution system. One of the key considerations is protecting young Canadians by keeping marijuana out of the hands of children and youth.

While these systems have merit, it is time to acknowledge that marijuana is a unique substance that is sought for its medicinal as well as its recreational benefits, unlike other controlled substances. There is an outside-the-box argument to be made that marijuana distribution should be controlled by or grounded in a coalition of health care professionals, including doctors, naturopathic doctors and pharmacists. Today, even the illegal dispensaries often go through the formality of requiring the approval of a licensed health professional as a condition of purchase. While this may amount to window dressing, the idea of a licensed dispensary, for both medical and recreational marijuana, is worth further consideration. A network of licensed dispensaries already exists – pharmacies. A licenced system including some of the more professionally run dispensaries and alternative health care practices, carefully integrating health care considerations into the recreational marijuana narrative, may prove surprisingly beneficial immediately and in the long run.

RECOMMENDATIONS

- Production of the medicinal and recreational supply, other than plants grown for personal use, can be most effectively, safely and securely supplied by commercial licenced producers. Now that the MMPR process is scheduled for change, we see this as an opportune time to licence more of the already screened, qualified and cleared applicants in anticipation of increased demand.
- 2) Distribution of medical and recreational supply should be worked out co-operatively between Ottawa and the provinces. In BC, it will likely occur through a combination of Liquor Control Board outlets and private facilities. We recommend that pharmacies and alternative medical practices, as well as licenced existing dispensaries, be included in the distribution network for recreational as well as medical supply.

- 3) Naturopathic doctors are professionally trained practitioners and herbalists; they are experts in both the historical uses of plants as well as modern pharmacological mechanisms. Therefore, we recommend that prescription for medical marijuana should expand beyond medical doctors to include both naturopathic doctors and pharmacists.
- 4) Production and distribution issues aside, more research is needed on both recreational and medicinal use. True Leaf Medicine International Inc. sees the need for evidence-based research on the most effective dosages and strains required for the various applications of medicinal marijuana: pain management, nausea from cancer treatment, and epilepsy, among others. We are prepared to work further with our contacts in the medical community, along with pain management centres and organizations such as the Canadian Arthritis Society.

If you are interested in discussing these ideas further, we would be pleased to do so.

Sincerely,

Michael Harcourt Chair, True Leaf Medicine International Inc.