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Hemp madness? Pilot program has entrepreneurs dreaming big while NC pot law sits in committee

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Passersby zipping past on the super busy Lewisville-Clemmons Road can't possibly see Pete Zakamarek's little store.

It's around the back of a nondescript brick building on a lower level sandwiched between a couple offices; it's the only retail shop back there.

A temporary banner draped on the side of the building is about the only way for customers to know they're in the right place.

The banner has the store's name, the Dispensary Alternative Care Center, and a prominent green cross that mimics exactly the signs on retail outlets in states out west that have legalized the sale of marijuana.

It's all by design, of course, owing to the nature of the products Zakamarek is selling: oils, creams, lotions and edible treats made from cannabidiol (CBD), a compound found in industrial hemp plants.

The stuff on display in jars inside looks like pot and smells like pot, but it won't get you stoned.

"CBD oil has been recognized for medical uses," Zakamarek said recently. "It comes from a natural plant with potential to save a lot of lives. Or at least make them easier. It's not hurting anyone."

The Dispensary is but one of a growing number of stores and businesses trying to capitalize on the increased popularity of CBD products and recognition that there might, in fact, be some medical benefit to users.

Boosters tout CBD oil as a potential treatment for such disparate conditions as seizures, anxiety, post-traumatic stress disorder, problems sleeping, arthritis, diabetes and chronic pain.

The U.S. Food and Drug Administration this summer approved a drug derived from CBD oil for treating seizures caused by two forms of epilepsy.

"It will even help people with chronic pain, and that's a lot better than prescribing them opioids," Zakamarek said.

Whether CBD oil is a cutting edge miracle cure or just another health fad remains to be determined. The FDA has no role in regulating hemp products.

Either way, sales of CBD oil-based products is a booming business. According to market research firms, sales of CBD oil in the United States ran to \$170 million in 2016 and could top \$1 billion in three years.

North Carolina farmers and business-minded individuals aren't just sitting idly by watching, either.

Congress in 2014 approved in a massive farm bill allowing states to determine for themselves whether to allow test programs for growing industrial hemp. So far, 39 states — including this one — have done so.

The state's pilot program here is run jointly between N.C. State and N.C. A&T State University. The state Industrial Hemp Commission has approved 393 applications from growers, and that's allowed for more than 1.6 million licensed square feet of greenhouse production and more than 6,100 acres of farmland dedicated to hemp production.

Farmers then sell to the 196 processors whose applications have been approved by the Hemp Commission to churn out CBD oil products.

In a state with a \$76 billion annual agricultural industry with more than 49,500 farms and 8.4 million acres of farmland, hemp production is barely a spit in the slop bucket. But it's something some farmers can't ignore.

"I try to buy local as much as possible," Zakamarek said. "There are farms in Yadkin and Davie counties. 80 percent of what I buy comes from local farmers."

Growing hemp isn't without risk, either. The federal Drug Enforcement Agency considers CBD oil and hemp illegal.

Sandy Stewart, the vice chairman of the State Industrial Hemp Commission, told The News & Observer this summer that uncertainty has caused the state to advise caution to growers, processors and entrepreneurs looking to turn a buck. "Do your research and seek your own legal counsel is the advice here," Stewart told the paper.

'100 percent legal'

That note of caution, while welcome, doesn't cause Zakamarek to lose sleep. He's not worried about cops coming to kick in the doors or feds seizing his wares anytime soon.

"That's not our concern," he said. "Everything we do is 100 percent legal and by the book."

The biggest difference between hemp and marijuana — both are cannabis plants — lies in the THC content. THC is the active ingredient that causes users to get high.

Industrial hemp must have less than .3 percent THC content; it's much higher in marijuana. A user might have to smoke an acre's worth to catch a buzz.

Due to the similarities between the plants it's difficult not to make a comparison even as advocates of CBD oil emphasize the psychotropic differences.

"I was on the illegal side of it 10 years ago," Zakamarek said without elaboration. "I want to be on the legal and right side of it. This has been a dream of mine after seeing what's happened in Colorado and California."

If you've not been paying close attention, states that have legalized marijuana have reaped millions in increased tax revenue and tourist spending.

Colorado, Washington and Oregon, the states which have had legal marijuana the longest, have raked in \$1.3 billion combined in sales tax since 2010.

Studies by the Drug Policy Alliance and the libertarian Cato Institute have shown that legalization has not significantly changed teenagers' inclination to experiment with marijuana or increased traffic fatalities. Emergency room visits for marijuana poisoning doubled in Colorado from 25 to 47 between 2012 and 2016

Ten states have legalized recreational marijuana and 33 legalized it for medical use only. Last Tuesday voters in Michigan approved recreational use and voters in Utah and Missouri OK'd medical uses. Canada legalized it, too.

Personally, I don't give a rip what anybody does to themselves at home. If you're over 21, not operating a motor vehicle, on private property away from schools and churches and in a state where pot has been made legal, smoke up. Get caught driving with a pot buzz, then pay the same consequence as a driver impaired from pounding beers and shots.

Don't bet on legal marijuana in North Carolina anytime soon. Remember how long and difficult the fight was to set up a state-run lottery?

Bills to allow people to possess up to 4 ounces of marijuana were introduced in the General Assembly earlier this year. And they'll die in committee like they always have. Still, entrepreneurs and advocates continue to dream.

"That's the hope," Zakamarek said. "Whether it'll happen or not is another story. It's a big step forward to recognize CBD oil."