

May

Wed 1st

Separatist **insurgents kill six people** including a two-year-old boy in the southern Thai province of Pattani. The attack comes days after a second round of peace talks between the government and rebel representatives from the majority Muslim region, who are seeking greater autonomy from the majority Buddhist country.

The United Nations Human Rights Office declares that the force feeding of hunger striking prisoners in Guantanamo Bay is **a violation of international law**.

“If you fall asleep it’s fine, because that’s what it’s for”

Speaking to the *Radio Times*, **Kaare Schmidt**, head of Denmark’s biggest TV channel DR1, explains why ‘Midsomer Murders’ has become the most popular imported detective series in his country.

Thu 2nd

It is reported that poachers have **killed the last known rhinoceroses in Mozambique**. Thirty game rangers are due in court in coming weeks, charged with helping poachers track and kill the 15 animals that remained.

Veteran British broadcaster **Stuart Hall pleads guilty to 14 charges of sexual assault**. Hall, the 83-year-old best known for presenting game show ‘It’s a Knockout’, admitted assaulting 13 victims, one as young as nine, between 1967 and 1985.

James McCormick, the British businessman who **sold fake bomb detectors made from novelty golf ball locators** to countries including Iraq, is jailed for ten years at the Old Bailey in London.

The bike ridden by British MP Andrew Mitchell, which sparked the so-called ‘plebgate’ row (-> DG#9), is auctioned on eBay, raising £10,600 for charity.

The great American drug deal

Wed 8th *Sonia Talati* meets the business brains and savvy campaigners behind Colorado’s new billion-dollar industry

Toni Fox seems like the textbook all-American soccer mom: blonde hair tied up in a ponytail, beaming smile, doting husband and two adorable kids. She’s a Coloradan entrepreneur on the brink of a potentially huge commercial success. Her business? Dealing drugs.



📍 Marijuana entrepreneur Toni Fox

Fox owns 3-D Denver’s Discreet Dispensary, one of the largest medical marijuana centres in Colorado. The store is in an industrial district a couple of miles from the centre of Arvada, a small town in the Rocky Mountains.

It serves customers who have doctor-issued medical marijuana registry ID cards, or “red cards,” which allow them to buy Fox’s merchandise. But Fox now has a major opportunity: she will soon be able to open her doors to the general public, selling her marijuana to anyone over the age of 21.

On 6th November 2012, as the rest of the nation was absorbed by the presidential election, Colorado’s citizens were voting to legalise the recreational use and sale of marijuana. Amendment 64 allows adults over 21 to possess up to two ounces of marijuana and to grow up to six plants. As of January 2014, they will be able to buy the drug at licensed stores, just like alcohol, tobacco and over-the-counter medicines.

Fox could be on the front line of the biggest new business opportunity in America. The latest figures from the Office of National Drug Control Policy estimate that Americans spend \$34 billion on illegally-obtained marijuana a year. It’s projected that legalising marijuana would save the government \$8.7 billion in enforcement costs – and bring in the same again in new tax revenue. With its new legal status in Colorado, the pot trade is expected to bloom into a multi-billion dollar





📷 Toni Fox's 3-D Denver's Discreet Dispensary, one of the largest medical marijuana centres in Colorado



industry over the coming years. The Centre on Law & Policy estimates recreational marijuana sales will pull in \$60 million per year in tax revenue alone by 2017.

A budding industry

Fox's pot emporium is a strange place. Past the "Smile, You Are on Camera" and "No Media" signs lie two sturdy doors which guard the grow space. Inside, the smell of weed hits you right between the eyes. Heating machines blast temperature-controlled air, bright yellow lights shine down from the low ceiling and there are marijuana plants as far as you can see. In the middle stands Fox, trailblazer of the nascent recreational marijuana industry. "We are a generation of stoners from the 1970s who are now running the show," she tells me. "We understand what marijuana is all about and are mature enough to lead the way."

But the task that lies before Fox and her fellow growers is daunting. The future of the marijuana industry is shaky and its present status confusing. Despite the local rulings, the drug is still illegal at the federal level. Under US law, selling marijuana can lead to a sentence of life in prison and a fine of \$10 million. However, according to a famous memo written by Deputy Attorney General David W Ogden in 2009, the government should not "focus federal resources... on individuals whose actions are in clear and unambiguous compliance with existing state laws providing for the medical use of marijuana". The federal lines are blurry and constantly changing, and 20 states have decided to take the risk and allow the sale of medical marijuana, by voting it into state law. But to take the drug to the next level and sell it like any other commodity in the market is tough without federal approval.

One major problem is that federal law bans banks from conducting business with marijuana-related companies. This means no bank accounts and no loans: Colorado's biggest new industry is cash-only. There are, naturally, no federal tax breaks on offers for new business startups and landlords are hesitant to lease out property to marijuana

shop owners. Those in the marijuana industry argue that no other industry has to face such business hurdles.

Given the extraordinary potential demand, however, all of the trouble could well be worth it. Brendan O'Flaherty, an economics professor at Columbia University, is one of the



“ ‘Reefer Madness’ showed high school students going crazy, behaving like animals and exhibiting nymphomaniac and homicidal tendencies after smoking marijuana”

130 academics who signed a letter to President Obama in 2012, supporting the legalisation of recreational marijuana. He believes that big companies will throw their hats in the ring soon and says that pharmaceutical companies and big-name health retail chains like GNC and Vitamin World could do a better job than small shops, because of their experience and resources. "They are in the drugs business already and have successful multi-product lines, which means that they can open a store that can sell many different things," he says. "Marijuana

would be just another non-FDA approved product on the shelf." Which isn't far off where it started.

Reefer madness

The fiery history of "the Devil's Weed" in the US dates back centuries, before the plant's primary use was recreational. Hemp, the plant that is genetically related to marijuana and can produce the drug, was an essential commodity for the early pioneer settlements, and was used for daily basics like clothing, ropes, canvas, parchment and sails. In 1619, the Virginia Assembly passed legislation requiring all farmers in Pennsylvania, Maryland and Virginia to grow hemp.

The trend caught on in the South and West, and hemp fields blossomed in Kentucky, Texas, Minnesota, Missouri, Wisconsin and Illinois. Production skyrocketed, and the Census of 1850 recorded 8,327 hemp plantations of over 2,000 acres. Citizens could even use hemp as legal tender to pay their taxes.

The plant was exceptionally easy to grow, adaptable to virtually any climate and useful for hemp seed foods, oils, waxes, resin, ropes, clothes, pulp and fuel. So great was the plant's potential that in the early 1900s, the Department of Agriculture predicted that hemp would become the US's biggest crop.

New technology led to increased production of hemp paper, solidifying hemp's prospects in the early part of the 1930s. But three powerful individuals had vested interests in destroying the potential: business tycoon Lamont DuPont, newspaperman William Randolph Hearst and Police Commissioner Harry J Anslinger. In 1937, DuPont patented a new process for papermaking from wood pulp. His timber-driven development was supported by Hearst, who invested heavily in lumber holdings and switched the two dozen newspapers he owned to printing on wood pulp paper. The third player, Harry Anslinger, became the first commissioner of the newly established US Bureau of Narcotics and Dangerous Drugs in 1930. He had the power that DuPont and Hearst needed to make hemp production illegal.

And they did. In secret meetings, DuPont and Anslinger developed the Marijuana Tax Act, penalising hemp, cannabis and marijuana production with heavy taxes and calling for strict enforcement of the rules. Violators of the new procedures could face up to five years in prison and \$2,000 in fines. The media also started reporting sensational stories related to marijuana. The source of the publications: Hearst's newspapers. His editors ran stories depicting marijuana as a drug used by Mexicans, who Hearst described as "lazy, degenerate, and violent." One feature from the San Francisco Examiner claimed that "Marihuana [sic] is a short cut to the insane asylum. Smoke marihuana cigarettes for a month and what was once your brain will be nothing but a storehouse of horrid spectres." Another suggested: "Three-fourths of the crimes of violence in this country today are committed by dope slaves – that is a matter of cold record."

Congress passed the Marijuana Tax Act in 1937, shortly after the release of a propaganda film called "Reefer Madness". The anti-drug movie showed high school students going crazy, behaving like animals and exhibiting nymphomaniac and homicidal tendencies after smoking marijuana. Later, in 1970, the Controlled Substances Act classified marijuana as a Schedule I drug, making it illegal to possess, use, buy, sell, or cultivate the stuff. Despite the drug's drift into the mainstream, it remained illegal at both a state and federal level until Colorado challenged the norm by legalising medical marijuana in 2001 and regulating it in 2009 with the Medical Marijuana Code.

Shortly after the 2009 Code was passed, a campaign began to amend the new legislation to allow full legalisation of marijuana. A group of lawyers and advocates began drafting the document, which came to be known as Amendment 64. They had to deal with several key questions. What should be the legal limit for possession? How should we address public safety? How do we please parents and employers? Where is it all right to smoke?

A two-page final draft emerged. "We included a \$40 million benefit to public school construction, appealed

employers with a drug-free workplace provision and incorporated the continuation of marijuana driving laws," says Sean McAllister, a drug policy reform lawyer. But not all groups were satisfied. In Amendment 64's way stood district attorneys, parent groups, health campaigners, the biggest lobbying group in the state and Governor John Hickenlooper, who said: "Colorado is known for many great things – marijuana should not be one of them."

Pot luck

The odds didn't look good, but there was remarkable cohesion among the biggest pro-marijuana groups, who formed the Coalition to End Marijuana Prohibition. The movement proposed to "regulate marijuana like alcohol,"

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in an attempt to make their cause relatable to non drug-users. From big community events to church seminars and public debates, volunteers pushed their objectives across the state, says Betty Aldworth, who managed on-field campaigning and served as the public face of Amendment 64. "People often came up to us to ask questions about the initiative", she says. "We stood out in our purple marijuana-imprinted shirts." Women like Aldworth and Fox helped to break stereotypes. They were successful middle-class mothers who smoked marijuana and defended it intelligently. "It's people like me who smoke," says Fox. "Everyday people coming out and talking about marijuana helped break [negative] perceptions about it."

By February 2012, following an inventive campaign on social media,

the network of volunteers had gathered the 86,000 signatures needed to put Amendment 64 on the November ballot. "I saw in the volunteers and supporters what I saw when the war was ending in Vietnam; that enthusiasm was needed to make legalisation happen," says Lenny Frieling, director of marijuana advocacy group Colorado NORML. "Legalising marijuana has been the proudest accomplishment of my life." The pro-64 groups also raised \$2.39 million, the majority of which was spent on advertising.

Meanwhile the opposition, many of whom believed such a referendum would never pass, only managed to raise just over half a million dollars for campaigning. It was a presidential election year and many of those opposed spent their dollars on the Romney campaign rather than the anti-Amendment 64 push. They also didn't actively campaign until the final days of the debate, by which time it was too late. "The opposition miscalculated the work that had been done by the Coalition and started too late in the game," says Maria Garcia Berry, CEO of the powerful lobbying group CRL Associates, who opposed the legislation.

When election day arrived, Amendment 64 passed with 53 percent support. Within weeks the Colorado Marijuana Task Force was appointed by the governor to begin formulating rules for producing, selling and buying marijuana. These included childproof packaging and warning labels that disclose tetrahydrocannabinol (THC) content and list all pesticides, herbicides, fungicides and solvents used in cultivation and processing.

Joint ventures

Fox plans to take full advantage of the new legislation. When January 2014 arrives, 3-D Denver's Discreet Dispensary will switch from selling medical marijuana to recreational marijuana. Fox is building out her "grow" space to support her vision. Inside her 10,000 square foot centre, she nurtures more than 1,200 cannabis plants through different stages of development: she plans to expand in this area, obtaining an additional 9,000 square-foot warehouse adjacent



🗳️ "Yes on 64" campaign directors Brian Vicente, Betty Aldworth and Mason Tvert speak at a press conference the day after Colorado voters passed Amendment 64 in November 2012. 🎉 Supporters of Amendment 64 celebrate 🌿 Toni Fox plans to triple cannabis plant production in anticipation of a surge in demand from recreational users



Ed Andruski | Brennan Linsley/AP/Press Association Images



to her current space to allow her to triple production. With its location just off Interstate 70, Fox's shop could turn into a tourist pit stop. "I leased the space knowing it was off the map for many Denver residents," she says, "but was willing to take the risk in case recreational marijuana legalised in the state."

Customers currently pay between \$25 and \$35 for an eighth of an ounce of marijuana, enough for three to four quality joints or a couple of sessions around the bong. In the new market, Fox expects to charge around \$50 for an eighth of an ounce in the first several months, anticipating demand to be high but supply to be low, before prices come back down again as new players enter the market. But with more customers, Fox estimates her net income will skyrocket from \$88,735 in 2013 to \$2,172,770 in 2014 to \$2,913,840 in 2015. All of it in cold, hard cash.

Fox's numbers are impressive, but they pale in comparison to the plans of Tripp Keber, the Willy Wonka of weed. Keber is the managing director of one of the biggest medical marijuana ventures, Dixie Elixirs & Edibles, and moved to Colorado from the East Coast in 2001. Unlike most medical marijuana centres that practise a seed-to-sale growing model, cultivating, distributing and selling their own marijuana, Keber's prime focus is mass production of cannabis-infused products – medicated chocolate truffles and crispy rice snacks, treats cooked in cannabis oil and sparkling drinks – which he sells to retailers.

Dixie is one of the companies of Medical Marijuana, Inc, the first publicly held company vested in the medical marijuana market. Traded daily in the stock market, Medical Marijuana, Inc pulled in more than \$12.38 million in revenue in 2012, yielding a net profit of \$7.1 million. With the new recreational market opening up this could be the tip of the iceberg.

Keber believes his brand is building a national platform for the industry. "We are not a bunch of hippy-dippies in the back making cookies," he says. "This development represents big business and horsepower. A lot of intellectual property has been

generated over the past few years." The differences from 3-D's production methods are clear. Unlike Fox's more organic shop, Keber's factory – located in a business hub on the northeast side of Denver – runs with rhythmic precision. Employees wear white lab coats and latex gloves: standing in a factory line, they package medicated baked goods and fill bottles of cannabis-infused liquids. Behind the assemblers, a group of scientists work on a new machine aimed at improving product quality and consistency. Once the packaged goods and finished



☛ **Marijuana smokers at the opening of Club 64 – a marijuana-specific social club – in January 2013**

“**Medical Marijuana, Inc pulled in more than \$12.38 million in revenue in 2012. With the new recreational market opening up this could be the tip of the iceberg**”

products are lined up into neat rows, the testing team randomly checks the batches for quality control. Henry Ford would be proud. Probably.

While Dixie has a stronghold in the market, the 20,000 square foot factory feels strangely empty in parts. Keber built the facility to be able produce far more than his current output. Now that Amendment 64 has passed, he will fill the space with new activity. The company is about to launch two

new product lines into market and estimates at least two more to join the market by the end of 2013. The lines will mirror the Dixie Scripts (cannabis extract capsules) and Topicals (cannabis-infused body products) lines. Keber is building outposts in six other states and his 11,000 square foot cannabis cultivation facility in Arizona is on the verge of becoming fully operational. He is close to sealing a deal to set up a major venture with a partner in California. Could Dixie become the Walmart of the legal marijuana industry?

Black markets and gold rushes

The decision between the larger manufacturers or the smaller options – “Coors Light or a microbrew” as one manufacturer puts it – will ultimately be down to the consumer. However, the widespread availability of the black market pot might mean people are reluctant to switch to the legal alternative, as the addition of tax will likely increase the price, while state restrictions may lower the strength. Adam Cook, 37, is a regular marijuana consumer, buying illegally since he left the military over a decade ago. “I have four friends in Summit County that I buy from,” he says. “It’s nice to know the person that is growing your weed, which is why I won’t change where I get my stuff from.” According to Cook, the only thing that would cause him to switch would be if the price in the recreational market dropped to below the \$25 an eighth he currently pays.

Cook and Fox are not the only one doing cost-benefit analyses. If more states go forth and legalise marijuana, the financial stakes are huge and the invitation is open. The pro-marijuana lobby predicts that the industry could turn over \$120 billion a year in the US, yielding billions in tax revenue. Although in opposition during the Colorado campaign, big-name pharmaceutical, tobacco, and alcohol companies are considering how to branch out their business. Amendment 64 has changed the rules of the game for the US marijuana industry and, 150 years after the Gold Rush, opportunists are once again looking to the Colorado hills to find their fortune. ☛

Brennan Linsley/AP/Press Association Images

The quarter in local news



12th May **The Sussex files**
Brighton, UK

“I noticed that a vortex has opened up on Montreal Road,” said a contributor to Brighton’s ‘Fix My Street’ website. “On closer inspection it seems to be some kind of portal to other times, places and dimensions. I was concerned my little dog would be sucked into it.” According to the *Argus*, a few days later the site received another message from the concerned citizen: “It’s now emitting an unsettling yellow light and a large snake is emerging.” The council weighed up the evidence and decided not to investigate.



11th Jun **Not so pretty woman**
Birmingham, UK

When an unnamed Birmingham man met a prostitute outside a hotel and discovered she was less attractive in the flesh than in her publicity photos had made her out to be, he did what any unsatisfied consumer would do in such circumstances and dialled 999 to report an emergency. “She misdescribed and misrepresented herself,” he told police, who later released his call to the public to deter other time wasters. The man was told that soliciting for sex is illegal and was sent a letter warning him about his actions.



19th Jun **Bags of joy**
St Austell, UK

When Gareth Tilley and Jamie Neil were preparing to rob a Cornish branch of the Co-op, the former opted for a scarf to disguise his face while the latter decided a clear carrier bag would suffice. The pair held up the sales assistant and made off with multiple bottles of spirits. CCTV shots of a man with transparent plastic on his head and his face clearly visible led police directly to 41-year-old Neil, whose mask was described by Detective Constable Steve White as “ridiculous”.



26th Mar **Column inches**
Glastonbury, UK

“He grabbed my hat, tore it off and chucked it on the pavement,” said a man dressed as a penis who had to be saved by a woman dressed as a vagina. Chris Murray was wearing the comedy genitals to promote a play he was appearing in when a local resident decided to confront him. Thankfully his female co-performer stepped in to help stop the fight. The police turned up, warned the assailant, and requested the performers find less provocative ways to promote their show.

May

Fri 3rd

A Syrian weapons facility is bombed by Israeli planes in an overnight attack. Israel has been concerned that chemical weapons might be transferred to Hezbollah from Syria and has made clear that it would take action to prevent any such transfers.

A prosecutor leading the case against former Pakistani president Pervez Musharraf is killed in Islamabad. **Chaudry Zulfiqar Ali is shot dead** on his way to court.

Sat 4th

Orb, ridden by Dominican Joel Rosario, **wins the Kentucky Derby**.

Sun 5th

The first gun to be manufactured using a 3D printer is fired in Austin, Texas. Defense Distributed, a company founded by Cody Wilson, a 25-year-old law student at the University of Texas, plans to distribute the design online. @DG#08

Mon 6th

Three missing women are found alive in a house in a residential area of Cleveland, Ohio. Amanda Berry, Gina DeJesus and Michele Knight had been missing for a decade. Three brothers in their fifties, including Ariel Castro, the owner of the house, are arrested. ☛ Wed 8th

“**I am a child of former slaves who had a system imposed on them, I had an economic system imposed on me**”

Lauryn Hill is sentenced to three months in prison for tax evasion. The Grammy award-winning US singer, best known for being part of hip-hop group The Fugees, compared her experiences in the music industry and dealing with taxation to slavery.