

Essential Considerations for Advertising and Marketing in Ohio's Cannabis Industry

Cannabis Business Legal News

By Christopher Green on September 27, 2024

With the recent legalization of recreational (or “adult-use”) cannabis in Ohio and sales becoming legal effective August 6, 2024, the burgeoning industry is met with a mix of excitement and regulatory challenges.

As new cannabis businesses emerge, it is crucial to effectively navigate the complex landscape of advertising and marketing within the state. Ohio is currently one of the most restrictive markets in the country for advertising legal cannabis.

Recent incidents have seen Ohio dispensaries facing significant fines—some exceeding \$200,000—due to advertising violations. To avoid similar pitfalls, make sure you are informed of the how, what, and where of advertising recreational cannabis.

The How - Ohio's Cannabis Advertising Regulations

While advertising is permissible for dispensaries, the industry currently operates under the stringent regulations governing medical cannabis. It is imperative for businesses to seek pre-approval from the Ohio Division of Cannabis Control (“Division”) for most advertisements before publication.

The Division is expected to release updated marketing regulations soon. Until then, adherence to current rules is crucial. The Ohio Department of Commerce provides a helpful FAQ.

The What - Cannabis Advertising Restrictions

RESTRICTED CANNABIS TERMINOLOGY

Recent fines have largely resulted from straightforward infractions such as the use of the term “recreational cannabis” as opposed to “adult-use cannabis” or displaying paraphernalia that is visible from outside the premises.

PROMOTIONAL FOOD AND DRINK RESTRICTIONS

Other violations include the presence of food vendors outside the dispensary. However, the Division permits complimentary non-alcoholic beverages and ribbon-cutting ceremonies held inside the dispensary. Any ceremonies outside of the building will result in a fine.

CANNABIS IMAGERY AND SLANG TERM RESTRICTIONS

Additionally, the use of slang terms like “getting high” or “rolling a joint,” among the many other common terms, is strictly prohibited in advertising. Recognizable cannabis leaves are also prohibited on any advertising submission per O.A.C. 3796:6-3-24.

The Where - Advertising Channel Considerations

OUTDOOR CANNABIS ADVERTISING IS PROHIBITED

Unlike neighboring states such as Michigan or Indiana, where billboards advertising recreational cannabis are common, Ohio prohibits such outdoor advertising. Fines up to \$12,500 have been imposed for unauthorized billboard advertisements.

ONLINE MARKETING AND ADVERTISING RESTRICTIONS FOR CANNABIS BUSINESSES

Online marketing efforts must also comply with approval requirements, as evidenced by fines issued for promoting free ice cream on dispensary websites. Handing out leaflets will also result in action by the Division.

BROADCAST MARKETING RESTRICTIONS FOR CANNABIS BUSINESSES

The current rules further prohibit any marketing broadcasted on television, radio, or internet programming. Regardless of the medium, marketing materials are not permitted to include any images that resemble a cartoon character, pop culture icon, or reference likely to target children.

Permissible Content

The Division has outlined specific guidelines for advertising materials not requiring pre-approval, stating that advertising materials for dual licenses (those for medical and recreational use) may include the:

- Opening date

- Approved dispensary name
- Approved dispensary logo
- Information specifying that access is restricted to adults aged 21 and over
- Location
- Hours of operation
- Business website, social media handles, and information on online or drive-thru services

Staying Informed

The list of advertising restrictions can be extensive and daunting for new business owners. It is crucial to remain informed about updates from the Division, as well as any local regulations that may affect your business operations.

By thoroughly understanding and adhering to these regulations, cannabis businesses can navigate Ohio's advertising landscape more effectively and avoid costly penalties. Ohio's advertising, marketing, and signage rules can be found at the Ohio Laws & Administrative Rules website.

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