



PAUL COHEN'S *Marijuana Hub*

A Division of Cohen Grassroots Research, Inc. www.cohengrassroots.com



Newsletter: February 17, 2016, Issue #226-- www.cohenresearch.com

Cohen Grassroots Research, Inc. is the Nation's Number #1 Micro Cap and Cannabis Research Firm
IR Research Reports (1,000+) - Distribution to 100s of thousands of investors

HOW TO MAKE MONEY IN THE MARIJUANA STOCK MARKET

CBD IN TROUBLE

Robert Hoban, a recognized cannabis attorney stated the following and we quote:

"Fundamentally, CBD is not specifically defined under the Federal Controlled Substances Act (the "CSA"); it simply has not been expressly addressed under federal law. However, the DEA has taken the position that CBD is a Schedule I Controlled Substance as defined under the CSA.

Without an express provision under the CSA, it is questionable whether the DEA has any sort of authority to take this position. But more importantly, in the case of *Hemp Indus. Ass'n v. DEA*, 333 F.3d 1082 (9th Cir. 2003), the DEA attempted to initiate rules and interpretations concerning certain cannabinoid constituents of marijuana that were not expressly set forth under the CSA or the DEA's own regulations (at the time), and the Ninth Circuit Federal Court of Appeals struck down its efforts, stating that: "[t]he petition requesting that we declare the rule to be invalid and unenforceable is GRANTED." *Hemp Indus. Ass'n v. DEA*, 333 F.3d 1082 (9th Cir. 2003).

In short, an agency – such as the DEA – is not permitted to change a legislative rule retroactively through the process of disingenuous interpretation of the rule to mean something other than its original meaning.

Nonetheless, we have seen a deliberative and wide ranging effort on behalf of the federal government to "chill" the CBD marketplace."

What is interesting to me is that the DEA does not seem to have questioned the quality of CBD being sold.

Is it rancid? Does cooking it in the manufacturing process negatively alter its benefits?

The issue is a decided negative for the cannabis industry. We do not know when or if it will be settled.