



Holiday Advertising Guide

For Washington State Cannabis Licensees

Introduction and Background:

This guide was created to help cannabis licensees make sure holiday advertising and decorating complies with all related RCWs and WACs.

This is not a complete guide. It describes some common holiday compliance issues as identified by LCB staff and licensees. It will be updated as laws and rules change, or as new compliance issues are brought to our attention.

To learn how to better support licensees, in May, 2023, LCB surveyed its Compliance Consultants from across the state. LCB Compliance Consultants were also asked for more information and specific examples to include in this holiday guide.

Contact your Consultant or Officer with any questions related to holiday marketing. If you do not know who your Consultant or Officer is, you can call Enforcement Customer Service at 360-664-9878 or email EnfCustomerService@lcb.wa.gov

Retailers

Types of Advertising - [WAC 314-55-155](#):

- General Advertising: print advertising, digital advertising
- Outdoor Advertising: billboards, outdoor signs

Holiday Decorations

- Decorating for holidays is not generally a regulatory issue, however, it cannot violate the laws and rules that regulate cannabis advertising.
- [WAC 314-55-155](#)(1)(a)(iv)(A) could prevent some holiday decorations from being used at the licensed premises.
- Holiday decorations do not need required advertisement warnings.
- Holiday costumes: [WAC 314-55-155](#) (2)(b) states "No cannabis licensee may use or employ a commercial mascot outside of, and in proximity to, a licensed cannabis business."

Examples of holiday decorations that comply with general cannabis advertising laws and rules:



Holiday decorations that are not compliant:

- Inflatables
- Images of holiday characters that would be appealing to youth

This includes employees dressed as holiday characters viewable by the public.

Examples of characters/decorations that would not be permitted:



Gift Baskets / Bundles

- Pre-sale items must be bundled by the cannabis producer/processor.
 - [Cannabis "Party Packs". | WSLCB Topics and Trends | Archive July 2022](#)
- Gift baskets are not allowed to be created at the retail level. All cannabis bundles must be created by the producer/processor.
 - Retailers do not have permission to package cannabis products.
 - Retailers cannot engage in conditional sales ([WAC 314-55-017](#)).

Holiday Bags and Gift Wrapping

Single use bags are allowed. Gift wrapping service is not permitted.

Examples of permitted gift bags:



Examples of gift bags that would not be permitted:



Gift Cards

Licensees are prohibited from selling gift cards ([WAC 314-55-079](#)(1) and (5), [WAC 314-55-155](#)(4) and (6))

Charity Drives

- Licensees can participate as a drop-off location for food or clothing drives
- This may not be used as part of a promotion or method to get a discount
- All records related to your charitable gifts or monies must be kept and organized separately from your cannabis business
- Advertising for a cannabis business, even if it contains charity information is subject to [RCW 69.50.369](#) and [WAC 314-55-155](#)

Discounts

- Split discounts are not allowed.
 - Example: Retailer offers 30% off, however, retailer covers 20% and producer/processor covers remaining 10% ([WAC 314-55-018](#))
- Retailers cannot require discounts from producer/processors ([WAC 314-55-018](#))
- Cannabis products cannot be sold below acquisition cost ([WAC 314-55-079](#))

Giveaways

Branded merchandise cannot be given or sold to anyone who is not employed by a cannabis retailer ([WAC 314-55-155](#) (4)), with the following exception(s);

- Cannabis retailers may provide free of charge, incidental items to customers ([Policy Statement PS21-02](#)) if:
 - The incidental item qualifies as paraphernalia as defined in [RCW 69.50.102](#)
 - The incidental item is not advertised by any means other than in-store merchandising as allowed in [RCW 69.50.369](#)
 - The incidental item was purchased by the retailer
 - The incidental item's branding can only be that of the licensed retailer, and may not have any brand, logo, or images of a product representing a producer or processor
 - The incidental item value must be less than one US dollar (\$1.00)
 - Incidental items provided cannot be subject or conditional to other purchases (no "gift with purchase")

General Advertising

Advertisements during the holidays for business (in any medium) must still follow all advertising requirements ([WAC 314-55-155](#) and [WAC 314-55-105](#) (c)(i-vi)).

Using the term "trick or treat" is not allowed as it is deemed especially appealing to children ([RCW 69.50.585](#)(1)(iv)(C) and [WAC 314-55-155](#)(1)(A)).

Sandwich boards are not compliant as outdoor advertising; signs need to be affixed to a permanent structure ([WAC 314-55-155](#) (2)(a))

Handouts/flyers may be provided by retailers to their customers with holiday characters/decorations as long as they follow current laws and rules for advertising and are not considered appealing to children ([WAC 314-55-155](#) and [WAC 314-55-105](#) (c)(i-vi))

Producers and Processors

Discounts

- Split discounts are not allowed
 - Example: Retailer offers 30% off but only covers 20% and producer/processor covers the remaining 10% ([WAC 314-55-018](#))
- Producer/processors are prohibited from providing discounts to select retailers ([WAC 314-55-018](#))
 - Cannot offer product discount to one retailer but not another
- Producer/processors are not permitted to offer volume discounts to retailers

Please see [Enforcement Bulletin 23-01](#) for more information on direct and indirect money's worth practice.

Giveaways

Branded promotional items from producers and processors can only be distributed to licensees and employees of retailers. These items cannot be given to retail customers. Branded promotional items for giveaways are restricted to items of nominal value (\$30 or less) such as:

- lighters
- postcards
- pencils
- matches
- shirts
- hats
- visors
- other similar items of nominal value ([RCW 69.50.585](#))

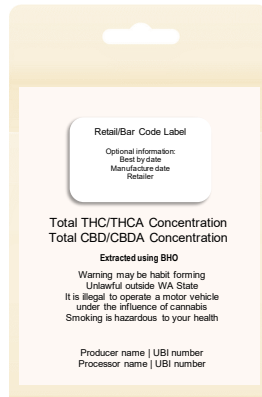
Gift Baskets / Bundles

- Pre-sale items may only be bundled by producer/processors
 - Baskets that follow conditional sale bundling and restrictions on product rules are allowed
 - [Cannabis "Party Packs" | WSLCB Topics and Trends | Archive July 2022](#)
- Producer/processors cannot engage in conditional sales ([WAC 314-55-017](#))

Packaging and Labeling

- Must still follow [WAC 314-15-105](#) for compliant packaging
- Hollow candy canes are acceptable packaging for usable cannabis products
- This packaging is compliant for usable cannabis products. The stricter rules for appealing to youth revolve around edibles and products that would be enticing to children. Candy canes though festive, are not specifically targeting children.

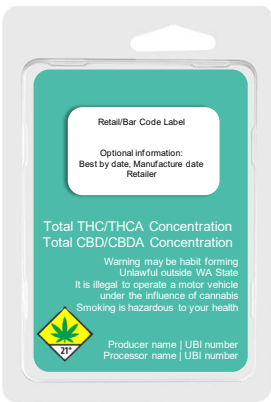
Examples of Packaging and Labeling that would not be permitted:



- The Universal Symbol must be upright as designed.
- This would be considered especially appealing to persons under the age of 21 ([WAC 314-55-105](#))(1)(c)(vi). Similarities to products or words that refer to products that are commonly associated or marketed to those less than 21). For example: Hi-C is a juice product marketed to kids.
- Missing Net Wt.



- Missing the lot number of the product (the unique identifier number).
- Missing the producer's name and UBI (company that grew the cannabis used to make this product).
- Missing the warning statements.
- The warning symbols are on the back of the canister. They must be on the front/principal display panel.
- Missing the extraction process. If solvents were used, a statement must disclose the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or that were added to the extract.



- The net weight must be listed in ounces and grams or volume as applicable
- The Universal Symbol must be on the front/principal display panel
- The packaging is not child resistant. Note: if the cartridge itself is certified child resistant, the packaging would be compliant

Example: packaging is not compliant because there is no evidence of heat seal, locking option, or child protection on the cartridge.

Events and Vendor Days

Events and vendor days are popular during holiday seasons. Below are some common issues that have happened during these times.

- Events may not target youth or advertise in a way that appeals to children ([RCW 69.50.585 \(1\)\(iv\)](#) and [WAC 314-55-155 \(1\)\(A\)](#));
 - No petting zoos, carnival games, giveaways, celebrity autographs, etc.
- Free food/gifts cannot be offered at any event;
- It is unlawful to open a package containing cannabis, or consume cannabis at an event ([RCW 69.50.445](#) and [69.51A.060](#));
- Allowing dab bars, smoking lounges, and/or permitting consumption of cannabis at an event is prohibited ([RCW 69.50.465](#));
- No cannabis or cannabis samples may be distributed at an event ([RCW 69.50.401](#) and [69.50.4013\(4\)](#) and [WAC 314-55-155\(4\)](#));
- Personal possession limits of cannabis must be strictly observed ([RCW 69.50.4013](#) and [69.50.4014](#));
- Cannabis licensees must follow traceability requirements and cannot bring cannabis from their licensed premises to an event ([WAC 314-55-083\(4\)](#) and [WAC 314-55-085\(5\)](#));
- Branded promotional items from cannabis producers and processors can only be distributed to licensees and employees of cannabis retailers. Such branded promotional items are restricted to items of nominal value such as lighters, postcards, pencils, matches, shirts, hats, visors, and other similar items. Nominal value means a value of \$30.00 or less ([RCW 69.50.585](#));
- Branded merchandise cannot be given to anyone who is not employed by a cannabis retailer ([WAC 314-55-155\(4\)](#));
- No advertising for cannabis businesses within 1,000 feet of prohibited areas, exceptions to this are laid out in [Enforcement Bulletin 19-03](#).

If you have any questions about what you can or can't do, please contact your Compliance Consultant.