



# REVISED BRANDED MERCHANDISE FACT SHEET



“Branded merchandise” includes clothing, hats, pencils, pens, keychains, mugs, water bottles, beverage glasses, notepads, lanyards, or cannabis accessories with the name or logo of a state licensed commercial cannabis business. (See Cal. Code Regs., tit. 16, § 5000(b).) Licensees may sell the items enumerated above without first obtaining Bureau approval.

Branded merchandise items that are not specifically identified in section 5000(b) of the Bureau’s regulations cannot be sold without prior written approval from the Bureau.

Licensees selling branded merchandise without the prior written approval from the Bureau may be subject to disciplinary action. Licensees may email requests for branded merchandise approval to **BCC@dca.ca.gov**. All requests for approval should contain the phrase “Request for Branded Merchandise Approval” in the email subject line. The body of the email should include the following information:

- Licensee name and license number.
- Description of each branded merchandise item to be approved for sale.
- Picture of each branded merchandise item to be approved for sale.

Branded merchandise does not include items containing cannabis or any items that are considered food. (See Cal. Code Regs., tit. 16, § 5000(b).)

A licensed retailer may sell their own branded merchandise to retail customers. Retailers are not authorized to sell the branded merchandise of other licensees.

A licensed distributor may distribute their own or another licensee’s branded merchandise.

Branded merchandise may be a form of advertisement subject to the advertising and marketing requirements of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) and the Bureau’s regulations. An advertisement is any communication intended to induce sales of cannabis goods. Determining whether a specific item of branded merchandise is an advertisement requires an analysis of the specific facts surrounding the production, distribution, and sale of the item.

To determine whether a specific item of branded merchandise is an advertisement, licensees must consider:

- Whether the item is intended to encourage individuals who view it to purchase cannabis goods.
- Whether the item is intended to raise awareness of the licensee’s brand.
- Whether the item is intended to be viewed within the licensed premises, within a customer’s private property, or in public.



- Whether the item is a cannabis accessory that simply indicates that brand of the merchandise for identification purposes.
- Whether the purpose of the item is to satisfy a regulatory requirement such as an exit bag, which simply indicates where the purchases were made.

Branded merchandise that is advertising must comply with the following:

- Must identify the licensee responsible for the advertising content, including the responsible licensee's state license number, on the branded merchandise. The responsible licensee's license number must be clearly visible as required with other forms of advertisement.
- Cannot be sold while a licensee's license is suspended.
- Cannot be designed in any manner likely to appeal to anyone under 21 years of age.

