

Small Business Matters

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WORKPLACE ISSUES



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Smoke Out: 3 Ways Legal Marijuana Will Change How You Do Business

Small businesses will face an uphill battle if Issue 3, which legalizes marijuana, becomes a reality in Ohio, experts said during a recent webinar hosted by COSE.

Speakers outlined three big challenges small business owners and entrepreneurs could struggle to find solutions for if voters decide to legalize both recreational and medicinal marijuana: workplace safety, employment concerns, and testing issues.

Challenge #1: Safety

Concerns over safety dominated a large part of the discussion.

"No one is looking to be vindictive, but as an employer, it is a matter of mitigating risk," said Kevin Johnson, president of Glenwood Management and chairman of COSE's Advocacy Committee.

Steve Millard, COSE's president and executive director, said one safety concern is that impairment after using marijuana can last for 24 to 48 hours. That can be an issue for those workers in safety-sensitive positions.

Tim Dimoff, founder and president of SACS Consulting, Inc., said there is a risk of more employees coming to work under the influence of marijuana if voters approve Issue 3.

"The message to employees can be, 'Hey,

it's legal. I can do whatever I want.'" Dimoff added that employees should recognize that alcohol is a legal substance as well, but workplaces would not permit staff to arrive at work intoxicated.

Challenge #2: Employment

Regarding employees, Johnson said finding the staff to work at small businesses could become more of an issue as well.

"Right now, we have candidates who cannot be hired because they cannot pass a drug test," he said. "That

is not going to improve if Issues 3 passes and marijuana use is legalized in Ohio."

Echoing that point, Millard said the supply of future employees could be in danger, too.

"As you think about the future workforce, marijuana has an impact on brain development and cognitive development." That could mean less skilled workers in the future, he said.

Dr. Jason Jerry, addiction psychiatrist at the Cleveland Clinic, agreed, saying young brains are continuing to develop up to 24 or 25 years old. "Drug and alcohol use (early in a person's life) contribute to higher rates of addiction later on."

Dr. Jerry and Millard each said that by legalizing marijuana, it sends a message to

young people that smoking the drug is OK. And that could lead to increased incidents of drug addiction among the region's future employees.

Data shows that employees who have tested positive for marijuana use are 10 times more likely to miss work, five times more likely to be involved in a workers compensation claim, and 3.5 times more likely to be involved in an on-the-job incident.

Challenge #3: Testing

Testing for actual marijuana use will also prove difficult, the panelists said. Dimoff said because marijuana stays in a person's system longer than other drugs, such as alcohol, determining whether a person is under the influence can be hard to determine.

"It upsets the apple cart for drug testing," Dimoff said.

Employers are going to have to decide if they are going to test for it in the workplace, he added. Whatever the decision, employers need to be firm in their implementation of their marijuana policy. Having a clear policy in place will help strengthen their position later on if it needs to be defended.

Dimoff said employers would be wise to test employees for marijuana use after an accident occurs.

"If someone is in an accident and you can test post-accident, you're in a much stronger legal stance," he said.

To learn more, visit www.cose.org/issue3.



Are you interested in learning how to implement an efficient energy process that will yield savings? We have a limited number of passes to give away for The ROI of Strategic Energy Management event being held on November 13. To get your free pass, email mbajic@cose.org. Passes will be given out on a first-come-first-serve basis. To learn more about the event and to RSVP, visit www.cose.org/energyevents.

52 TIPS FOR YOUR BUSINESS

#43 – Entrepreneurship Lessons from the Small Business Convention

So you want to be a successful entrepreneur? You better be a do-er.

That was one of the key takeaways given to the hundreds of attendees at COSE's recent Small Business Convention. Jennifer Fleiss, co-founder and head of business development at fashion start-up Rent the Runway, told the crowd during the show's opening keynote that entrepreneurs have to prove they are action-oriented if their business is to survive.

That's the tact taken by Rent the Runway, which has raised more than \$50 million in venture capital funding to date. Other small businesses would be wise to follow the start-up's lead, she said.

"Show the world that you're fearless," she said. "Knock down barriers and just jump in."

Fleiss' advice was just one action-item relayed during the event. Here are four more important lessons learned during the two-day convention:

Don't take 'no' for an answer

Building on her earlier suggestion, Fleiss, who presented along with fellow co-founder Jenny Hyman, added that entrepreneurs should not take "no" for a final answer. "Customers do not say, 'No,'" she said. "They're saying, 'Not right now.'"

Prepare for success

Growth is the goal for many small business owners — but it can also present a big challenge when it happens. David Lowman, president of 1 EDI Source, said during a workshop session that entrepreneurs must spend time examining their business to determine how their company will change if/when business doubles. "Where will your pain points be?"

Always be marketing

Entrepreneurs have to be fanatical about marketing their business, said Robert Stephens, founder of Geek Squad. "When you have no money for marketing, everything you do is marketing," he said. Business owners should also always be thinking of unique ways to market. Case in point: He printed his company's logo upside down on the soles of his employees' shoes so that his company's logo would be left when staff walked into a building from the snow.

Keep at it

Time and again, speakers told attendees about the power of persistence. During the convention's final keynote, Derreck Kayongo, founder of soap recycling NGO The Global Soap Project, said entrepreneurs have to have a "don't quit"



Geek Squad founder Robert Stephens addresses the crowd at the 2015 COSE Small Business Convention.

attitude. He relayed his initial struggles recycling soap to be used in developing nations before finally getting the process down. Today, The Global Soap Project recycles soap from 5,000 hotels. The moral of the story: Don't lose faith in your product, he said. Stay the course.

COSE Voting Guide



On November 3, Northeast Ohio voters will be faced with a number of important ballot issues. The following is a look at what the issues are and the stance COSE has taken on each.

ISSUE 1: Ohio Bipartisan Redistricting Commission Amendment

Issue 1 seeks a more fair state legislative redistricting process. If passed, Issue 1 would create a bipartisan panel called the "Ohio Redistricting Commission" which would enact a more collaborative, inclusive and transparent process for drawing districts in Ohio.

YES

COSE recommends voting YES on Issue 1.

ISSUE 2: Anti-Monopolies & Oligopolies Amendment

Issue 2 would limit monopolies and oligopolies in Ohio. If approved, voters would have the opportunity to suspend the prohibition on monopolies and oligopolies for specific future issues. Supporting Issue 2 would also help protect the Ohio Constitution from "ResponsibleOhio's" effort to legalize marijuana and make it more difficult to grant monopolistic enterprises in the future.

YES

COSE recommends voting YES on Issue 2.

ISSUE 3: Ohio Marijuana Legalization Initiative

If passed, Ohio would become the first state in the country to legalize recreational and medical use of marijuana at the same time. While the exact economic impact remains unclear, passage would mean small businesses would be forced to undertake new requirements for how they manage employees. For example, employers would need to treat medical marijuana like prescription drugs and it could require employers to accommodate medical marijuana in the workplace. A number of safety concerns would be introduced as well.

NO

COSE recommends voting NO on Issue 3.

ISSUE 8: Cuyahoga County Arts & Culture Renewal

Issue 8 is a tax renewal for arts and culture institutions in the region. The issue is not a tax increase. It would continue the current 1.5 cents tax per cigarette sold in Cuyahoga County to support arts and cultural organizations.

YES

COSE recommends voting YES on Issue 8.