

STEPS FOR LAUNCHING A CANNABIS BUSINESS IN VIRGINIA

Virginia is preparing to launch adult-use cannabis sales in 2027, with license applications across many categories expected to go live in Q1. Success will depend on more than understanding regulations. It requires building a compliant and sustainable infrastructure for your business.

Here are some musts as you apply for a license and begin operating in Virginia.

Please keep the rollout timeline in mind (subject to change):



1. Business Planning - Write a Business Plan

- ✓ Understand the supply chain and relevant law and regulation.
- ✓ Develop the business model for your part of the supply chain - retail, microbusiness (limited vertical integration), cultivation, transport, or processing.
- ✓ Identify revenue streams and pricing strategies.
- ✓ Develop marketing and operational strategies.
- ✓ Create financial projections and funding needs.

2. Know Your Customer - Market Research and Validation

- ✓ Identify the target customers/market and value proposition.
- ✓ Identify customer/market needs and how your product or service will address them.

Disclaimer: This document is for informational purposes only and is not intended for legal, regulatory, tax, financial, or business advice. The industry is subject to evolving laws and regulations, and requirements and timelines may change. Readers should consult qualified legal, financial, and other professional advisors before making decisions.

**Applications for microbusinesses, cultivator/processor licenses for eligible hemp businesses, and dual-use permits for pharmaceutical processors (existing medical operators) must open.*

*** The Virginia Cannabis Control Authority must issue 100 microbusiness licenses (reserved for Impact Licensees), 10 Cultivation and 10 Processing licenses to qualifying hemp growers and processors, and verify dual-use permits.*

3. Financial Planning & Funding

- ✓ Determine startup costs (e.g., real estate/buildout, equipment, inventory, marketing, staffing, legal and licensing fees).
- ✓ Key costs include real estate, build out, licensing, legal and consulting fees, inventory, and staffing.
- ✓ Secure funding and identify investors (begin outreach early in the process).
- ✓ Plan for accounting and tax obligations and consult a financial advisor.
- ✓ Open a business bank account and separate finances from personal accounts.

4. Legal & Administrative Setup

- ✓ Choose a business structure (sole proprietorship, LLC, partnership, corporation).
- ✓ Register the business with the appropriate agencies.
- ✓ Obtain necessary permits and licenses.
- ✓ Apply once your plan, capital, and location strategy are in place. Working with an experienced cannabis attorney can help structure your application, ensure compliance, and avoid delays.
- ✓ Apply for an Employer Identification Number (EIN) for tax purposes.
- ✓ Consider working with Vicente LLP for legal support.



Key question: Is your application competitive, not just complete?

5. Opening a Business Bank Account

- ✓ Setting up a compliant bank account early is critical but often very challenging for cannabis operators due to the federal status of cannabis.
- ✓ Solutions like **Dama Financial by LeafLink** can support payments, traditional banking services, cash management, and day-to-day operations.

6. Compliance Management

- ✓ Stay compliant with local, state, and federal compliance requirements.
 - Cities will often have varying zoning requirements across the state, so it is important to note differences.
- ✓ Identify services or products to support ongoing compliance maintenance.

7. Lock in Real Estate

Real estate is often the biggest bottleneck. It's critical that you pay close attention to zoning laws and regulations, consider lease contingencies, and secure your property.

- ✓ Virginia requirements (according to 2026 passed legislation): 1,000 ft buffer required between retailers; 2,500 sq ft cap for retail storefronts.
- ✓ Validate insurance requirements for the type of business that you are using (manufacturing, warehousing, distribution, retail, etc.).

8. Product Development & Operations

- ✓ Determine the type of product you want to offer and whether it is unique or differentiated.
- ✓ Gather feedback on the demand for the product – test if possible with samples.
- ✓ Set up operational processes (inventory management, logistics, customer support). For example, delivery is a critical aspect that requires careful and strategic planning.
- ✓ Determine the pricing for your product.
 - Review LeafLink's Wholesale Pricing Guide to learn how prices are trending.
- ✓ Source reliable suppliers and vendors.
 - Tools like Leaf Trade by LeafLink can connect retailers and suppliers to streamline wholesale orders and payments. Leaf Trade helps operators:
 - Source products
 - Manage wholesale ordering
 - Facilitate payments
 - Build supplier relationships
 - Set up your POS System – Consider [Blaze](#)
 - Obtain necessary insurance policies.

9. Marketing & Customer Acquisition

- ✓ Create a marketing strategy (organic, paid ads, content marketing).
- ✓ Develop a customer outreach plan.
- ✓ Develop email marketing and lead generation strategies.
- ✓ Use referral programs and partnerships.
- ✓ Track marketing performance and adjust strategies accordingly.
- ✓ Develop your Branding & Online Presence
 - Create a business name and design a logo.
 - Build a website with clear messaging and an online store (if applicable).
 - Establish social media profiles (Facebook, Instagram, LinkedIn).
 - Develop an email marketing list for customer engagement.

10. Prepare for Launch

As 2027 approaches, focus on execution:

- ✓ Build inventory (use the support of marketplaces to easily connect with other licensees).
- ✓ Hire and train staff (use platforms like KayaPush for training)
- ✓ Finalize pricing.
- ✓ Begin sales!