



Interview with Bruce Linton*

Aaraón Díaz Mendiburo**

A few decades ago, in her Journalistic Genres class, our admired professor, Celia Toibe Shojjet Weltman, assigned us the task of interviewing an imaginary character. Without hesitation—and in a heartbeat—I chose a character surrounded by magic, wisdom, and who was a worthy representative of my cinematographic passion: Charles Spencer Chaplin. In July 2022, a similar emotion possessed me with the prospect of getting an interview with Bruce Linton, cofounder of the biggest Cannabis corporation in the world, Canopy Growth. Throughout my ethnographic research in Smith Falls (Ontario, Canada) people would refer to Bruce as a supportive being;

* Bruce Linton is an entrepreneur and cofounder of Canopy Growth.

** Aaraón is a researcher at the Center for Research on North America, UNAM; you can contact him at faraondiaz@yahoo.com.mx.

there was no one who would not have spoken well of him. Occasionally, I thought it was a kind of a myth, not from ancient history but from contemporary lore: a type of entrepreneur who, with his extremely socially oriented perspective about the cannabis industry, came to give hope to a community that dealt with the consequences of Hershey's shutdown, and therefore, with the labor crises and global discomfort of our century. By hearing the testimonies of these people and acknowledging Bruce's importance in the Canadian and global cannabis industry, I decided to leave no stone unturned until I got an interview with him. Alas, this time it was not an imaginary subject, but a real one. On June 29th, 2022, we met up, and now I can share some fragments of that interview with you.

Aaraón Díaz: What does corporate social responsibility mean to you?

Bruce Linton: I was operating under the assumption that we were building a business that was going to have lifetime value, intellectual property, durability of science, great new products. Corporate social responsibility (CSR), to me, was like "I am going to live, sleep and eat in a bubble. Everything is here. I want to make my bubble as pleasant, and good, and large as possible," which means your behavior must be: "If I have a choice between buying things locally, even if it is up to 5 percent or 10 percent more costly, or buying them from elsewhere—and making someone else's bubble, far away from me, better—I will buy it here."

AD: I like your point of view about CSR, but what about this bubble in connection with other bubbles competing around the globe?

BL: We needed to compete by constantly inventing new things intellectually. We needed to move faster on policy. We needed to be the best example, so everybody in the world would look at us when they were trying to come up with their public policy. And if you think that way—having a long term, very positive work environment, and a very strong community connection—the effect is one of the best ways to get ahead of the competition: to be the best. And the best can be defined as the one who has the lowest cost of capital with the highest percentage of market share, and with the most intellectual property. All that comes out of having an environment that encourages employing people who are the best; attracting and

keeping the best. What is number one doing? Innovating, creating, expanding. We were always the most visible, the most active, and the most desirable.

AD: What happens now with Canopy Grow and the construction of this bubble that you were endorsing?

BL: I think Canopy has had two changes of priorities since I left. The first one was “We are just going to run this better, and we are going to be very profitable.” That did not work; they were giving people guidance. Then, the second was “We are going to cut cost so much that we’ll become successful.” That will not work either.

What you have to know is why people want to be your customers, why they want to be your investors; they are not always the same reasons. I think that things that I viewed as core cultural considerations were perceived to cost money, but if the activity of corporate social responsibility, inclusion in the world, in the country and in the city, lead you to have more customers and more shareholders, they did not cost you money, but made you more customers. And I think what has happened is—it is kind of weird—the company is almost disappearing in terms of its visibility. For example, in the case of British Columbia, that whole facility is shut down. Now immigrant workers, foreign workers, and short-term workers have nowhere to work.

People do not understand the difference between American business and Canadian business. American business is much more similar to a military structure. In my opinion, the military has a much bigger impact on America because we do not have a military impact in Canada. In American business you have a general and a couple of people reporting to them, but it is very much a hierarchy. The general says: “We are going to make profits”, he yells it, and everybody is supposed to do it. While in Canadian business it is much flatter. There is no big general. You can have a leader, but you have discussions about three things: 1) we want to create profit someday; 2) we want to be the number one thing that everybody wants to buy, work at, hold shares of; 3) and we maybe want to do this until we are old and in a rocking chair, a story that we keep telling the nurses at the hospital over and over, because it is the most important thing we have other than our family. American business is driven by the general yelling profit, and Canadian business can be driven by the general talking about three things at once.

“Mexico will have a better recreational cannabis market, organized like Canada, sooner than America will. They do not have the problem that America has: every state is doing something different.”

Canadian business sees the world as an opportunity that does include American business. American business sees it as an opportunity that must start with America. And there is always the question of whether America is ready to do cannabis, but they are not ready. They are not going to be ready in the next five years, they will not be ready.

Mexico will have a better recreational cannabis market, organized like Canada, sooner than America will, before five years. They do not have the problem that America has: every state is doing something different. In Mexico, not every state is doing something different, so you can bring a federal system in without changing every state.

AD: Do you think that social responsibility is possible in the capitalist system?

BL: I believe, a hundred percent, that it is possible in the capitalist system. The key thing is that it is possible if we quit thinking that every 90 days we need an objective. Short term, quarterly planned processes and corporate social responsibility, I think they are in conflict. But if you think “I want this business to perform amazingly for the next 10 years” then everybody needs to know why we are building it for 10 years. I picked 10 years, because it is a long time in business. Corporate social responsibility simply means long-term thinking to create fully integrated value, so that everybody comes up with a business. Then, the business is supported by everybody, right? Is that not what we actually want? So, the only conflict between corporate capitalism and CSR is the short term. Short term objectives. If you are on a CEO’s budget and his bonus is made every quarter or once a year it is too short term.

From our discussion, I would say the one thing in which we did not concur, or I think we might not agree on is corporate social responsibility. Are you responsible for the community? I think you have a responsibility to engage with the community. That is long term. Are you responsible for the environment? I think you are, because you have to think about the footprint you are creating.

Are you responsible for the people who work in the company? The answer is affirmative for each one of those three groups. I keep saying it, if you are only thinking about the next 90 days, there is no rational business. If you were a private business and you knew that you were going to give the keys of your building to your kid, and they were going to give the keys to the building to your grandkid, would you care about the environment? Yes. Would you care about the community? Yes. Would you care about the employees? Yes.

AD: What do you think about hiring temporary workers under the CSR framework? From my point of view, that does not seem responsible at all.

BL: About hiring workers, we would use an expansion pool that would be temporary. We would pay a premium to those people in the expansion pool that performed super well, to extract them from the social pool and bring them into our company. They had proven themselves, and we knew how they would work.

We went from small to big, but a lot of the people who joined in this bigger phase came in through almost like a trial period. I am not sure if that is not social responsibility, because being corporate means you cannot hire people you cannot afford, so we needed some burstability, however the socially responsible part was looking at finding those really good people.

And rather than leave them with these temporary agencies, we would keep 25 percent of the salary. I do not like this, but to organize all of that variable labor yourself when you are trying to grow is super hard. So, you would use them, but then you would extract or almost buy their freedom out of there.

In regards to the other ones, if you have a very large carbon footprint you need to have more labor than you can necessarily afford. And a lot of the labor actually ends up being local people who are first generation immigrants. Like in our Niagara facility, we had many people from

“You have two types of customers: the people who were already buying illegally every day and the people who were not buying it because it was illegal. Now, who are our customers? I bet the illegal market did not get any new customers, or very few.”

Hamilton, who were Vietnamese, Indian, many Pakistanis and people from India who came and worked for us.

They came on a bus. Most did not have a driver's license, and we had to have people who spoke multiple languages, and they would work all day, and the bus would take them back. Well, they would not get paid as well or treated as well if they did not come to work with us. It seemed like at least it was a progression.

I am not trying to justify it; I am saying that some of those folks that needed this have come over permanently. But if you are in Canada and you do not speak English or French, and you want to have a job, that is a really tough problem. Getting work, which was accommodated for languages, because we had people who spoke multiple languages, seemed like progress from not having a job.

AD: What is the cannabis industry like in Canada right now? What are the problems that you see and what about the illegal market?

BL: Canada's cannabis industry changes about every six months. I do not think there have ever been any super serious problems with the industry. There has just been constant change, and right now the panorama is that there are over 500 companies that have licenses to produce cannabis, and that is a lot. There is a huge amount of cannabis that can be produced in farm fields with almost no protection, whereas before you had to have incredible security. Two or three years ago, there were almost no stores in this province where you could buy it. Now there are too many places. For example, now this little town has three stores, while before there used to be seven for the whole province.

Listen, it is very hard to explain to people that Canada was one of the biggest illegal producers of cannabis in the world. It was produced mostly in British Columbia, some came from Vietnam, but we used to be big exporters of illegal weed from British Columbia to the US. They did not like it when Colorado started growing their own weed, because they could not export to Colorado. They did not like it when Oregon had their own weed, because they could not export there either. There was a big export of illegal weed.

The size of the market has expanded a lot and almost all the new customers are not illegal. You have two types of customers: the people who were already buying illegally every day and the people who were not buying it because

"The government did an unbelievably good job in the medical field: direct to the customer, not going to pharmacies, not ripping them off, very good testing methodologies. Medically they did outstandingly."

it was illegal. Now, who are our customers? I bet the illegal market did not get any new customers, or very few.

Since legalization, I see the illegal market—from all statistics—has maybe lost half their business. That is like 4 billion dollars. I think the illegal market is going to keep losing. The illegal market will lose more, but the government is not sending a very good message, is it? When you buy illegal products, you might be buying unsafe products.

When I mean unsafe I mean it could be sprayed with things like micro retinol, which is a chemical to keep off certain things. But when you smoke it, it can be bad for you. The product might contain fecal coliform, or human poop, but the government is not pushing "buy safe" (which they should). I think the police have done a much better job of stopping the illegal guys. Because when you are selling illegally, are you paying all the taxes and all the things that the government collects? No. You are stealing revenue from the government when you sell illegally. The government cares now, but before legalization they did not care. Because what would they do?

There was no money in it for the government. Now they are raking it in. If I gave you 100 dollars and said: "Please, go buy some illegal alcohol in this province", you will have a big problem: you cannot find any. You know why? The government makes money selling alcohol. The government makes money selling cannabis now, so they are going to keep squeezing till they get all the money.

I could buy illegal meat, not supervised by a meat inspector, but who buys that? Nobody. Canadians like rules, we like structure. I think when you are inhaling it, if you get an education on what is in the illegal stuff, you will care. The legal product is very controlled, very clean, right? For example, no sprays, no biologicals. Compared to the illegal market where they do not spend money on dehumidification, they spend money on spray.

The other part is there used to be nowhere to buy legally. Now, if you are in Smith Falls, you have three stores.

Do you really want to go to that guy's sketchy place? You did not like him that much; you had to be nice because he had weed. Now you walk in the store, you buy this better stuff. It is never going to be gone. But I bet if we talk again in five years, the guys that have been buying for 20 years from a guy, they might keep buying for 10 more years until they die. Their kids are not buying from that guy, they are buying from the store. There is a cycle.

AD: How do you feel about being assigned as a businessman in this industry?

BL: I think I am probably an outlier. I think, actually, the government did an unbelievably good job in the medical field: direct to the customer, not going to pharmacies, not ripping them off, very good testing methodologies. Medically they did outstandingly. I think on recreational [cannabis], they had a good federal policy: who is going to grow it, how it is available. Each province got to do what they wanted; some were great, some were not, were they? If you went to Alberta two years ago, it was going very well.

You went to Newfoundland, they never made a warehouse. They just shipped it directly to the store. Ontario had no stores, but now I think it is getting consistent. The single biggest thing missing is that this town has 10 places that sell alcohol for drinking in a bar, but not one for cannabis. It feels like you are supposed to take your cannabis and go around the corner and sip it by yourself. There is still the fact that a social platform for consumption, not smoking, but drinking, eating should be available. It seems very odd that we are selling it, but you have no use for it except in your house. I don't know, that seems weird.

If we talk about publicity, I would say tobacco has a bigger problem now in Canada. Alcohol has a bigger advantage. We are somewhere around there, but I do not think we are going towards tobacco. I think we are going towards alcohol. It should be the same as alcohol. Do you know what I mean? You should be able to show people having fun at a beach. You can see a lot of advertising for cannabis in social media.

You do not see any for cigarettes. You have been in Canada for 18 years. Maybe when you first got here you used to see tobacco. Now they are not allowed to exist; even the containers, they sell them from packages with the bad lungs. Everybody complains without thinking. Stop and think, we could have been treated like tobacco. We fought to get closer to here, and I think it is going that way. **MM**