

They worked at Apple, Amazon and Lyft. Now they're working to get you stoned

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For much of her career, Natasha Pecor followed a path well-worn by tech workers. She built her reputation with her first employer in the industry, earning the title head of platform at Yelp. Then she jumped to one of the giants, Amazon, where she worked as a product manager.

Most recently she parlayed that experience into a leadership role at a smaller start-up—a common move among techies willing to take a risk for a new challenge and perhaps a big payday.

But this start-up wasn't exactly a tech company.

Pecor was living in Seattle when the state of Washington legalized the recreational use of marijuana. "I saw this huge shift," she said. "I never thought it would happen in my lifetime, and I knew I just wouldn't forgive myself if I wasn't part of it."

So, two years ago she made the leap from Amazon to Eaze, becoming vice president of product at the 4-year-old San Francisco start-up, which operates an online cannabis marketplace.

For decades, those looking to change the world arrived in Silicon Valley seeking the latest frontier: social media companies, gadget makers, delivery and transportation apps, e-commerce platforms.

But as the emerging markets of yesterday become today's stalwarts, a growing number of technology workers are migrating to an even newer

sector—so new that it isn't legal at the federal level.

Pecor now works alongside more than a hundred designers, marketers, engineers and lawyers who left companies such as Microsoft, Lyft, Square and Postmates to help shape the future of the cannabis [industry](#).

Other cannabis and cannabis-adjacent start-ups are also seeing an influx of tech talent. PAX Labs, a maker of sleek cannabis vaporizers, is run by the former chief operating officer of video game giant Electronic Arts and smart home company August Home Inc. Its workforce of a little more than a hundred includes designers, branding experts, operations and policy specialists, and hardware makers from Apple, Nintendo, GoPro and Groupon.

Design agencies and consultants that once exclusively worked for technology clients are increasingly working with companies in the cannabis industry.

Conditions are ripe for this kind of migration, according to analysts and investors, who believe three factors make pot so attractive to techies.

The first is money: cannabis start-up wages are comparable to small to medium-sized tech shops. But as cannabis sales soar with more states legalizing recreational use, there could be a potential windfall for those who get in early. The U.S. cannabis market is expected to grow to \$75 billion in sales by 2030 from \$10 billion, said Troy Dayton, chief executive of cannabis investment and market research firm Arcview.

The second is the very reason Pecor left Amazon for Eaze: The opportunity to leave a mark on a burgeoning industry where there aren't yet any clear winners.

"It's like green fields," said Joel Milton, co-founder of Baker

Technologies, a start-up that provides software to cannabis dispensaries.

He describes cannabis as a "leap frog" industry—meaning it has bypassed the steps other industries have followed. This is appealing to many technology workers who see an opportunity to help define a sector that has spent much of its existence underground.

The third is the compelling story of cannabis: a controversial but increasingly accepted drug that has the same classification from the U.S. Drug Enforcement Administration as heroin, ecstasy and LSD, yet is widely used for medicinal purposes and for fun.

"I have been a cannabis user for some time and I know quite a few people who use it for medical purposes," said Jesse Silver, vice president of product at PAX Labs, who previously worked at healthcare start-up Omada Health and, before that, design firm IDEO.

What drew him to PAX, Silver said, was the opportunity to change the story around cannabis and to show that responsible use was possible.

The surge in technology workers venturing into the cannabis industry has benefited the market, according to analysts. Drawing from their experience at consumer hardware, software and delivery companies, tech workers have launched platforms making it easier for customers to find and buy cannabis products, helped dispensaries manage their inventory and clientele, and dispelled some of the stigma surrounding the cannabis industry.

The polish they've brought to the industry has led to cannabis vaporizers that look more like discreet smartphones and online marketplaces whose designs resemble Netflix. Even the offices of cannabis start-ups resemble Silicon Valley firms, with open office plans, an abundance of natural light, exposed brick walls and kitchens well-stocked with La

Croix sparkling water.

Designer George De'ath, who runs design agency Born & Bred, believes the tech influence has been a boon for the cannabis industry because it's helping transform a complex, difficult-to-understand product into something simple and elegant that fits into people's lives—much like what Apple did for the smartphone and Fitbit did for the fitness tracker.

"The tech industry used to have a similar stigma," De'ath said. Until companies such as Apple, Google and Amazon came along, tech was largely viewed as the realm of geeks. But today, even the most complex of technology is presented in a way that doesn't intimidate customers.

"These products are incredibly sophisticated, but you don't want to know that," De'ath said. "That's what the tech industry nailed."

While venture capital firms and hedge funds remain skittish about the sector, they seem less wary of investing in products that look familiar, Dayton said.

Eaze, which aspires to be something of an Amazon for pot, has raised more than \$50 million from tech investors such as DCM and Fresh VC. PAX Labs, whose cannabis vaporizers resemble Apple gadgets, has raised more than \$100 million from Silicon Valley and institutional investors. And Baker Technologies, which is essentially a Salesforce for dispensaries, made it into 500 Startups' prestigious accelerator program in 2015.

Although it's difficult to discern how big a role tech's design influence has played in growing cannabis sales, tech workers believe any design that removes some of the stigma of pot and lowers the barrier to entry is a good thing.

"It's familiarity," said Sheena Shiravi, Eaze's director of communications. "We didn't have to change consumer behavior when we launched Eaze. People expect to get things on demand and through an app, so it was about giving people what they know and what they're comfortable with."

But sleekly designed products aren't always the best sellers, Dayton said. In fact, he believes that investor preference for highly designed products, and the influx of workers with technology backgrounds who live in largely affluent areas such as Silicon Valley, could potentially do a disservice to the cannabis industry.

"While it's trendy to appeal to the wealthy, high-end consumer, most people in the country aren't wealthy consumers," Dayton said.

Despite the growing influence of tech-inspired firms in the cannabis industry, he doubts the entire sector will embrace a Silicon Valley ideology. While some of the most-hyped companies in the marijuana trade are taking pages from the tech playbook, traditional cannabis products, such as the colorfully packaged Cheeba Chews brand, continue to sell well.

But he says there's plenty of room in the industry for people willing to take a bet on the next big thing.

"This is where social networking or wearables or e-commerce was a few years ago," Dayton said. "These people in Silicon Valley are pioneering spirits, and pioneering spirits look for pioneering industries to be part of."

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