

case study

Planning a Cannabis Festival: A study of the 4/20 Festival in Denver, Colorado

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Introduction

This case study sheds light on the history and organization of a cannabis-themed festival in Denver since the recreational marijuana legalization in 2014. Often touted as a new gold rush (and frequently dubbed the Green Rush), the legalization of recreational marijuana has created numerous business opportunities in both the hospitality and tourism industries (Kang, O'Leary, & Miller, 2016). This case follows this recent phenomenon from an event planning perspective based on an interview with the cannabis-themed festival organizer. While legalization of recreational cannabis has been implemented in a number of states and appears to be on-track for legalization in others, there are few resources that both policy makers and industry professionals can utilize due to the recent nature of this status change. This case is an attempt to address issues facing industry professionals and provide guidance going forward for event managers and other hospitality providers who will, increasingly, be required to plan, organize, execute, and accommodate marijuana-themed events in an environment of social scrutiny and regulatory uncertainty.

This case study examines the Mile High 4/20 Festival in Denver through the experiences of the event planning company selected to organize and execute the festival, Team Player Productions (TPP). TPP was hired as the event organizer by the holder of the 2018 festival permit, Eufloa Cannabis Dispensaries (hereafter Eufloa) of Colorado (Bartlett, 2018). Specifically, this study presents the procedures for obtaining the festival permit, how the festival is planned, marketed, and executed by highlighting key event stages with a focus on the unique collaborations among the permit holder, festival organizer, and the City of Denver.

Background

In referenda in 2012, the states of Colorado and Washington legalized recreational marijuana consumption (Ferner, 2014). While recreational consumption is legal for individuals over the age of 21, consumption is limited to private property and marijuana products may not be consumed in public places, including both privately-owned public spaces like restaurants and bars and publicly-owned spaces such as parks and public right-of-ways ([Colorado General Assembly](#), 2019). This technically limits consumption to private homes,

private land, a few lodging operations where operators have provided a designated consumption area for guests, and a few social clubs and event spaces that are not open to public (Ingold, 2014).

While public-space consumption of cannabis products remains illegal in Colorado, the City of Denver has allowed a festival dedicated to the celebration of cannabis consumption to occur each year on April 20th (4/20). 4/20 festivals occur in many states and municipalities, but these are mainly ad hoc and most occur without permission of, nor regulation by, authorities. Denver is unique in allowing a 4/20 festival called the Mile High 4/20 Festival on municipal property and issuing needed permits to organizers. While marijuana consumption is technically not allowed at this festival, it does occur at modest levels and for the most part consumers are not arrested or detained for consuming marijuana (Mitchell, 2018a).

The first organized 4/20 festival in Denver happened in 1993 when about a dozen advocates for the legalization of marijuana gathered at Denver's Civic Center Park to stage a "4/20 Rally" in support of their agenda. The City of Denver was inclined to disallow future iterations of this initial festival but were concerned about first Amendment issues of free speech and the potential for litigation, so did not interfere with attendees in following years. The festival grew over the next few years, essentially ad hoc and unpermitted, but attendees were not driven away or arrested as long as their behavior was peaceful and orderly. The tenor of the festival was essentially unchanged over the first twenty years, though crowds grew larger and order was increasingly harder to maintain. The festival had been billed as the "largest free 4/20 gathering on earth" (Hughes, 2018).

Festival Stages

Competition for the Festival Permit

In 2013, the first year after the passage of Amendment 64, but before legal sales were permitted on January 1, 2014, the festival took a dark turn. A dispute between rival gang members in attendance became violent and shots were fired causing leg injuries in a man and a woman and grazing a nearby juvenile. The park was cleared out after the gun fire, but festivities were allowed to continue the following year (Pfeiffer, 2013). Festivals in the following three years were uneventful until 2017 when trash from the festival was either uncollected or strewn about the site after collection, generating significant outrage by citizens of Denver. Consequently, the organizer of the 2017 4/20 festival, Civic Center Park Productions, LLC, lost the right to obtain a

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Figure 1

Mile High 4/20 Festival in Denver, Colorado



(Source: *The Denver Post*, 2012)

festival permit for any event for three years and was fined \$12,000 (Denver Post, 2017). Later review also discovered that of the seven food vendors hired by the event organizer, six did not possess permits from the health department and the event organizer did not hire the number of security staff and cleanup personnel required per City of Denver regulations for event size (Mitchell, 2018b).

Due to the problems associated with the 2017 4/20 festival permit holder, the festival permit became available to a new holder. The City of Denver typically uses a “grandfathered” approach to festival permits. If a festival organizer obtains the event permit for three years running and fulfills all their obligations to the city, they have the first right of refusal in subsequent years. In this case, however, the original permit holder had forfeited their right to any event permits for three years and the city opened the permit process to new applicants (Mitchell, 2018b). The City of Denver releases event permits on a first come, first served basis.

The eventual winner of the permit camped out on the steps of City Hall for nearly one month in order to secure the festival permit. After a process involving interviews and bidding, TPP was selected by Euflora to organize the festival on their behalf (Bartlett, 2018). The following sections of the case study present key areas of the preparation planned by TPP and the City prior to the festival, followed by sections on marketing, execution, and evaluation of the festival.

Preparation

Ordinarily an event of this nature and complexity would have a minimum planning period of six to eight months, but in this case, the planning period for the festival was a scant three months. Also, due to the nature

of the festival being cannabis-related, secondary permits were required from more than 20 city departments including the Department of Environmental Health for food safety and the Liquor Licensing Authority for an Alcohol and Cabaret permit (A. Furness, personal communication, November 2, 2018). TPP has been in the event business for 23 years and says that the rules imposed by the city for the 4/20 festival were more stringent than any other event they had organized.

Marketing

Marketing a cannabis festival in Denver is much more strictly regulated than would be the case for more traditional events, even those whose focus is alcohol consumption (i.e. wine and beer festivals) (Yuan et al., 2005). The City of Denver monitored the marketing materials for the 2018 festival and occasionally required changes in wording and format, especially where the wording might be considered to be encouraging the consumption of marijuana. No cannabis dispensary logos were allowed to be displayed on banners or signs at the festival. Logos for companies that sell products containing the main psycho-active ingredient, tetrahydrocannabinol (THC), were also forbidden in marketing materials for the festival, both on the internet and in print. This logo ban created problems in obtaining sponsorship for the festival, a traditional method of generating revenue at typical events. While some companies were happy to be associated with marijuana, they acknowledged the fact they could not display their logo on banners or printed material like bags would limit the return on their investment and chose not to participate (A. Furness, personal communication, November 2, 2018).

Little actual traditional marketing and promotion was done by TPP.

One print advertisement appeared in a local alternative weekly newspaper and there was a website for the festival, but the primary marketing channel was word of mouth. The sponsoring cannabis dispensary, Eufloa, did some marketing on their website (A. Furness, personal communication, November 2, 2018). Two local radio stations were festival sponsors and marketed the festival on their stations. Eufloa contracted the musicians and DJs and featured rapper Lil' Wayne as the musical headliner.

Execution

The festival attracted nearly 75,000 participants with peak attendance occurring near 4:20 pm, the magic time for marijuana consumers. The five primary festival execution areas are presented to aid the understanding of the festival flow.

Admission

Given the age limitations for marijuana consumption in Colorado, one might expect that the festival would be limited to those 21 and older, but this was not the case. What the city calls "21 and up" festivals must require tickets for entry and the city collects what it calls a seat tax equivalent to fifteen percent of the ticket price. The 4/20 festival was open to all ages and did not require a ticket. Festival attendees were required to pass through metal detectors to gain admittance to the grounds and bags were searched at these entry points. There were five points of entry around the perimeter of the site with two to four metal detectors at each entrance. Entry was smooth and timely with delays only as the time approached 4:20 when event attendance was at its peak (Mitchell, 2018b).

Alcohol management

The city allowed TPP to sell alcohol at the festival and four "beer gardens" were set up within the footprint of the festival. At most public events like this, major beer, wine, and spirit brands are eager to be sponsors and display their logos prominently. This, however, was not the case at the 4/20 festival as most brands did not want to be associated with marijuana and its consumption. Eventually Mancan Wines signed on as an alcohol sponsor (Murray, 2018).

The four beer gardens were the most carefully policed of the areas at the festival, as it was critical to keep people from consuming marijuana in a venue where alcohol was served, as would be the case at any place alcohol is served in Colorado. TPP did not operate the beer gardens but subcontracted them to independent licensees. TPP had one staff person in each beer garden to monitor behavior and each beer garden had a TIPS certified alcohol service professional (A. Furness, personal communication, November 2, 2018).

Security

Security was a major concern given the shooting at the 2013 festival and the disorder left after the 2017 festival. Organizers exceeded the requirements of the license by building a double fence to discour-

age fence breaching, a problem at earlier iterations of the festival. Ordinarily TPP hires off-duty Denver police officers to be security at their events, but the city did not allow off-duty officers to be used in this capacity, so an outside security firm had to be found and hired (A. Furness, personal communication, November 2, 2018). While public-space marijuana consumption is illegal in Colorado ([Colorado General Assembly](#), 2019) it is impossible to totally control at this event. Signage was erected both outside and inside the festival grounds reminding people of the laws regarding public consumption of marijuana. This information was communicated on the festival's website as well as in marketing material for the festival and fliers distributed to attendees. The security firm engaged for the festival were tasked with stopping people from consuming marijuana, but as private security they had less referent and legal authority to eliminate the practice entirely.

Vendor management

Another issue for TPP was the hiring of sub-contractors. Some of their regular vendors, such as the company usually hired for sanitation, trash, and site cleanup did not want to be publicly associated with a cannabis-themed festival and a new company had to be found to perform this function. Other vendors were less concerned with an association with cannabis and were willing to sign on. Numerous vendors from cannabis-related businesses did come and set up booths at the festival such as cannabis consumption paraphernalia sellers and others who wanted the association with cannabis to advance their businesses. While products containing THC were prohibited to be sold, paraphernalia used in the consumption of cannabis was allowed as were products like lotions and creams containing the non-psychoactive hemp-derived compound CBD. All products associated with cannabis, whether they contained psychoactive ingredients or not, had to be delivered to the customer in opaque bags free from any logo associated with the products. Other, more traditional, festival fares like t-shirts were sold as well, but all products sold at the festival were required to be carried in the opaque, logo-free bags (A. Furness, personal communication, November 2, 2018).

Liability

As with any public event, liability insurance had to be provided by permit holder, Eufloa. Organizers said the cost of it was mostly in line with any similar size of event. The cost of insurance for large public events is based on factors such as: 1) will alcoholic beverages be sold, 2) how many people will be attending the event, and 3) the scale and scope of the entertainment (a large and complex stage set up requires more insurance than a small platform or no organized music.). The insurance cost was based on the traditional assessment of risk, and bids were solicited from multiple companies. The eventual insurance provider did charge a slight premium due to the nature of the event. Overall, the festival was executed without any of the major behavioral problems of the

previous years. There were no incidents of violence and there were no medical incidents beyond those requiring minor first-aid on the spot (A. Furness, personal communication, November 2, 2018).

Evaluation

The City of Denver requires a post-festival debriefing in the case of major events. TPP reported that the feedback they received from the city was mostly positive as regards their handling of the festival. TPP reported they would contract to execute this festival again. They feel they did a satisfactory and responsible job and they received good feedback from the agencies they worked with to plan and execute the festival (A. Furness, personal communication, November 2, 2018).

TPP felt that were they allowed more time and able to exert more influence, they would have made different choices regarding the musical entertainment. Given the shooting in 2013 they were concerned that hip-hop/rap style music could possibly lead to a volatile environment at the festival. In the end though, no problems were reported, and the day went extremely smoothly, even though TPP had never organized a cannabis-themed event previously (A. Furness, personal communication, November 2, 2018).

Conclusion

By deconstructing the 2018 Mile High 4/20 Festival, we have shed some light on the planning, marketing, and executing a special-themed event from an event organizer's perspective. The ultimate goals of such events or festivals are to enhance the quality of the perceived experience as well as to provide economic and social contributions to the local economy (Baker & Draper, 2013; Crompton & McKay, 1997). The accurate economic or social impacts of the festival have yet been investigated to fully evaluate the festival's contribution; it is inevitable to conclude that the 4/20 cannabis festival plays an important role in attracting a significant volume of visitation among those enjoying cannabis consumption around the country. Even though there were few glitches in planning and executing the 2018 festival, there are several areas for further inquiries that would interest other cities, jurisdictions, or event planners who want to develop a similar cannabis-themed event or festival in the future.

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Discussion Questions

- What other measure(s) the festival organizers could take to ensure public safety, security, and other compliances imposed

by the hosting destination?

- What would be the great challenges for the festival organizers hosting the cannabis-themed festival in the next five years?
- Were there any opportunities you feel the organizers missed to make this an event that would bring repeat visitors in future years?
- What sort of metrics might a cannabis 4/20 festival organizer use to determine the success of the event?
- Marketing efforts for this festival were extremely "ad-hoc". How might organizers more effectively target cannabis consumers and merchandisers of affiliated merchandise?

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