

## Arizona company starts Venmo-like service for medical marijuana

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Ohio's cannabis dispensaries deal largely in cash because banks and credit card companies are leery of working with medical marijuana companies. An Arizona company is aiming to fill the gap for those who prefer cashless payments.

It's providing a service called Hypur, described as a Venmo-like platform for legal marijuana companies. While many customers find the service convenient, not all dispensaries are comfortable with it, citing cost and privacy concerns.

Angelica Warren, a medical marijuana cardholder who lives in Westerville, has used Hypur since her first trip to a dispensary and said it saves her a trip to the ATM.

"It's a simple and easy process to use," Warren said.

Tyler Beuerlein, Hypur's chief revenue officer, said patients use the service through a smartphone app that connects to their checking account. After the dispensary collects their information, patients pay by entering a four digit code onto a tablet.

Brian Wingfield, co-owner of the Ohio Cannabis Company dispensary in Coshocton, said many of the patients who shop there don't want to carry cash.

"People use (Hypur) because it's easier than stopping off at an ATM or a

bank on the way," Wingfield said.

Chris Mastrilli, general manager of the Ohio Provisions dispensary in Canal Winchester, said his [company](#) is looking into Hypur because so many customers have asked about it.

Patients who buy there want to use [credit cards](#) because "that's what they're used to in other businesses," Mastrilli said.

Some dispensary owners have privately expressed concerns about the higher risk of theft in a mostly cash business, which Hypur helps mitigate.

Hypur also saves employees time counting cash and giving customers change, Wingfield said.

The only problem Wingfield cited was the cost. Hypur charges more per transaction than [credit](#) card companies, he said. Banking and credit services are more expensive for legal marijuana businesses because the few banks and credit unions that provide those services assume they are taking a greater risk because marijuana remains illegal under federal law.

It's unclear how many dispensaries use Hypur, but some local dispensary workers said they don't use it because they question its security.

"There is no federal oversight," said Rony Sinharoy, the designated representative for the Botanist dispensary in the Arena District. Without regulatory controls, Sinharoy said, the risk of a data breach is too great, he said.

"We also don't know what they're doing with patient information," he said. "While we understand it is a convenience for a subset of patients,

we thought the risk was not worth it."

Beuerlein emphasized that every transaction goes through a bank or credit union, which are federally regulated. Wright Patt Credit Union, which provides services to Ohio's medical marijuana companies, handles Ohio transactions.

"Everything we do happens through a [financial institution](#)," Beuerlein said.

Patients who don't want to bring cash to a dispensary have other options.

Mary Jane Borden, co-founder of the cannabis advocacy organization Ohio Rights Group, said that some dispensaries use cash dispensers that link directly to patient's checking account. Some charge fees, while others are free, Borden said.

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