

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CANNABIS REGULATORY AGENCY

In the Matter of

LE Battle Creek, Inc.
License No.: AU-R-000261

ENF No.: 25-01159

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) by and through its attorneys, Assistant Attorneys General Audrey E. Elzerman and Maryann Hong, files this formal complaint against LE Battle Creek, Inc. (Respondent), alleging upon information and belief as follows:

1. The CRA is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, to investigate alleged violations of the MRTMA and administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MRTMA or administrative rules.

FACTUAL ALLEGATIONS

2. Respondent holds an active state license under the MRTMA to operate an adult-use retailer business in the State of Michigan.

3. Respondent operated at 4203 E Centre Ave., Portage, MI 49002, at all times relevant to this complaint.

4. Following an investigation, the CRA determined that Respondent violated the MRTMA and/or administrative rules promulgated thereunder as set forth below.

5. On December 13, 2025, adult-use marijuana retail license no. AU-R-000856 (license -856), held by LE RETAILER LLC, expired. Respondent and license -856 operated under the same ownership and management.

6. On December 15, 2025, the CRA notified LE RETAILER, LLC that license -856 had previously expired and that it was to cease and desist operation. The CRA provided further guidance that no inventory transfers from license -856 could occur.

7. On December 16, 2025, Respondent accepted a transfer of marijuana products from license -856 under manifest: 0004221357 (manifest -1357).

8. On December 17, 2025, a CRA regulation agent (R.A.) conducted a site visit to Respondent's location. The R.A. met with Respondent's owner S.B. and compliance manager J.K.

9. S.B. stated Respondent received the marijuana product on manifest -1357 from the license's "sister store" (license -856) for the purpose of holding that marijuana product until a new retail license was approved. S.B. stated the product would remain boxed and unsold at Respondent's location.

10. However, S.B. also stated that 2 of the 118 packages listed on manifest -1357 (package tags 1A4050300037C95000001176 (-001176) and

1A4050300009665000187611(-187611)) were moved to Respondent's sales floor due to product shortages at the location.

11. On December 16, 2025, Respondent sold 19 eaches from package -001176 and 9 eaches from package -187611, contradicting S.B.'s earlier statement that the product was not going to be sold by Respondent.

12. S.B. stated that Respondent believed it could receive a transfer of product from an expired license because it had been permitted in the statewide monitoring system (Metrc).

13. S.B. admitted that Respondent failed to confirm the status of license -856 prior to accepting delivery of the marijuana product.

14. The R.A. reviewed surveillance footage of the delivery of manifest -1357. The R.A. observed 11 black totes with yellow lids and 10 to 11 brown cardboard boxes unloaded into Respondent's building between 7:20 and 7:26 AM on December 16, 2025. However, manifest -1357 showed both the time of departure from license -856 and time of arrival at Respondent's location to be 6:21 AM on December 16, 2025.

15. The R.A. asked J.K. to explain the discrepancy in departure and arrival times on manifest -1357. J.K. stated this was due to "having to change the secure transport late in the process due to availability . . ." Respondent did not provide further explanation.

COUNT 1

Respondent's actions as described above demonstrate a violation of Rule 420.104(1), which relevantly states that a marijuana retailer license is authorized to purchase or transfer marijuana or marijuana-infused products from only a licensed marijuana establishment.

COUNT 2

Respondent's actions as described above demonstrate a violation of Rule 420.104(3)(b), which relevantly states that a marijuana retailer license shall accurately enter all transactions, current inventory, and other information into the statewide monitoring system.

THEREFORE, based on the above, the CRA gives notice of its intent to impose fines and/or other sanctions against Respondent's license, which may include the suspension, revocation, restriction, and/or refusal to renew Respondent's license.

Under MCL 333.27957(1)(c) and Rule 420.704(2), any party aggrieved by an action of the CRA suspending, revoking, restricting, or refusing to renew a license, or imposing a fine, shall be given a hearing upon request. A request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent also has the right to request a compliance conference under Rule 420.704(1) and R 420.808(4). A compliance conference is an informal meeting at which Respondent has the opportunity to discuss the allegations in this complaint and demonstrate compliance under the MRTMA and/or the administrative rules.

Hearing and compliance conference requests must be submitted in writing by one of the following methods, with a copy provided to the assistant attorneys general named below:

By Mail: Department of Licensing & Regulatory Affairs
Cannabis Regulatory Agency
P.O. Box 30205
Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs
Cannabis Regulatory Agency
2407 North Grand River
Lansing, Michigan 48906

By Email: CRA-LegalHearings@michigan.gov

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter.

Questions about this complaint should be directed to the undersigned assistant attorneys general.

Respectfully submitted,

/s/ Audrey E. Elzerman
Audrey E. Elzerman (P82596)
Maryann Hong (P88790)
Assistant Attorneys General
Attorneys for Cannabis Regulatory
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Dated: February 2, 2026

LF: 2025-0446405-A/LE Battle Creek, AU-R-000261, ENF 25-01159/Formal Complaint 2026-02-02