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

In the Matter of

Ground Control Michigan, LLC
dba GCM Waypoint
License No. AU-P-000154
_____/

ENF No: 26-00131

**FIRST SUPERSEDING FORMAL COMPLAINT**

The Cannabis Regulatory Agency (CRA) by and through its attorneys, Assistant Attorneys General Erika S. Julien and Sarah E. Huyser, files this first superseding formal complaint against Ground Control Michigan, LLC dba GCM Waypoint (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 processor business in the State of Michigan.

3. Respondent operated at 54341 M43 Hwy, Bangor, MI 49013, 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 July 1, 2025, the CRA conducted an on-site investigation at Respondent's facility in Bangor, MI, regarding marijuana products that were previously seized by Michigan State Police (MSP) during a separate criminal investigation in Van Buren Twp., MI. Although these products were verifiably in MSP custody, the statewide monitoring system ("Metrc") showed three separate manifests containing products from the seizure were later accepted into Respondent's physical inventory.

A. Manifest #3869089 contained 200 hundred packages of 100 each (total 20,000) of Muha Med brand vape cartridges. The manifest was created on June 5, 2025, at 12:43 PM, with an estimated arrival on June 6, 2025, at 2:00 PM. This manifest was marked received by Respondent in Metrc on June 13, 2025, at 8:33 AM.

B. Manifest #3861128 contained 80 packages of 100 each (total 8,000) of Muha Med brand vape cartridges. The manifest was created on June 2, 2025, at 11:54 PM, with an estimated arrival on June 2, 2025, at 12:27 PM. This manifest was marked as received by Respondent in Metrc on June 11, 2025, at 6:23 PM.

C. Manifest #3858072 contained 85 packages of 50 each (total 4,250) Mitten Extract brand vape cartridges. The manifest was created on May 30,

2025, at 10:00 AM, with an estimated arrival on May 30, 2025, at 10:54 AM. The manifest was marked as received by Respondent in Metrc on June 4, 2025, at 12:02 PM.

6. When CRA agents arrived at Respondent's business, they identified themselves and stated they were there to investigate potential discrepancies in inventory. Respondent's employee, S.P., replied stating "I'm going to be difficult" and along with another employee, M.E., denied them entry into the business beyond the front conference room just inside the doors.

7. The owner, S.D., arrived and spoke with the CRA agents.

8. The CRA agents requested that S.D. pull up Respondent's Metrc inventory on his laptop. S.D. did and admitted that Metrc showed the marijuana vape cartridges on the manifests were physically located in his facility, but he did not think they were there. S.D. could not provide an explanation why they were not there.

9. S.D. then escorted the CRA agents to the inventory room and the vault to look for the marijuana vapes from the manifests, but they were not in either location.

10. Respondent's delivery logs also did not contain any of the package and/or manifest numbers related to the seized marijuana products. When asked where the 32,250 marijuana vape cartridges were located if not in the facility, S.D. could not provide an explanation.

11. In the vault, the CRA agents discovered approximately 360 cases of Muha Med brand vape cartridges that were tagged with adult use Metrc tags on the outside of the boxes and contained individual sleeve packages on the inside. However, there were no vape cartridges inside the boxes or sleeves. When asked for an explanation, S.D. stated, "I don't know why we have empty boxes, I don't have an answer, my guess is someone will come up with one."

12. Two 1-liter bottles identified by Respondent as containing THC distillate were also found in the vault. Neither bottle was labeled with a Metrc tag or any other identifiers on the packaging.

13. The CRA requested various standard operating procedures (SOPs) while on-site, however, Respondent did not know where they were in the facility during the inspection and did not provide them until a later date.

14. The CRA confirmed during the on-site inspection that the facility's video cameras were working and had the required 30-days of surveillance in their system. The CRA specifically requested that Respondent preserve all the videos and provide them for their later review, which was agreed.

15. When surveillance was provided, it was incomplete and large numbers of hours and even days of surveillance were missing. When later questioned, S.D. could not provide an explanation as to why the videos were missing footage.

COUNT 1

Respondent's actions as described above demonstrate a violation of MCL 333.27961(d), which states that no marijuana establishment may refuse representatives of the department the right during the hours of operation to inspect the licensed premises or to audit the books and records of the marijuana establishment.

COUNT 2

Respondent's actions as described above demonstrate a violation of Rule 420.16(3), which states that a licensee may not refuse the agency access to the marijuana business during the hours of operation. The agency may access the marijuana business without a warrant and without notice to the licensee during the marijuana business' hours of operation.

COUNT 3

Respondent's actions as described above demonstrate a violation of Rule 420.103(3), which states a marijuana processor must accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in these rules.

COUNT 4

Respondent's actions as described above demonstrate a violation of Rule 420.209(11), which states that a licensee shall keep surveillance recordings for a minimum of 30 calendar days, except in instances of investigation or inspection by the agency in which case the licensee shall retain the recordings until the time as the agency notifies the licensee that the recordings may be destroyed.

COUNT 5

Respondent's actions as described above demonstrate a violation of Rule 420.209(12), which states that surveillance recordings of the licensee are subject to inspection by the agency and must be kept in a manner that allows the agency to view and obtain copies of the recordings at the marijuana business immediately upon request. The licensee shall also send or otherwise provide copies of the recordings to the agency upon request within the time specified by the agency.

COUNT 6

Respondent's actions as described above demonstrate a violation of rule 420.210(2), which states that except for a designated consumption establishment or

temporary marijuana event licensed under the MRTMA, a marijuana business must not have any marijuana product without a batch number or identification tag or label pursuant to these rules.

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 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 Attorney 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/ *Erika S. Julien*
Erika S. Julien (P63124)
Sarah E. Huyser (P70500)
Assistant Attorney General
Attorneys for Cannabis Regulatory Agency
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Lansing, Michigan 48909
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Fax: (517) 241-1997

Dated: June 4, 2026

LF: 2026-0448772-A/Ground Control Michigan, AU-P-000154, ENF 26-00131/First Superseding Formal Complaint 2025-06-04

In the Matter of

License Name: Ground Control Michigan LLC
dba GCM Waypoint
License No.: AU-P-000154

ENF No.: 26-00131

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**PROOF OF SERVICE**

I hereby certify that on _____, I provided a copy of the First Superseding Formal Complaint dated _____ in the above captioned case by personal service to:

_____
Cannabis Regulatory Agency
Department of Licensing & Regulatory Affairs