



Table of Contents

Business Operations Questions: Potency.....	2
<i>Q:</i> What does the potency listed on the label mean?.....	2
<i>Q:</i> Can the potency of products purchased be different than what the label states?	2
Business Operations Questions: Labeling	3
<i>Q:</i> What does the MRA consider false or misleading labels?	3
Business Operations Questions: METRC.....	4
<i>Q:</i> Metrc functionality?	4
<i>Q:</i> Third-party integrator, point-of-sale systems (POS).?	4

For more information about the Marijuana Regulatory Agency, please visit www.michigan.gov/MRA.
Questions can be sent to Marijuana Regulatory Agency via email at MRA-Legal@Michigan.gov.



Business Operations Questions: Potency

The purpose of this bulletin is to provide answers to frequently asked questions, clarify, and provide guidance for licensees.

Q: What does the potency listed on the label mean?

A: Potency means the concentration of the active ingredient in a product, typically Delta 9 THC and CBD.

Q: Can the potency of products purchased be different than what the label states?

A: Under R 420.504(1)(g) a product that is sold to a customer is required to have the following information on the label:

Concentration of Tetrahydrocannabinol (THC) and cannabidiol (CBD) as reported by the laboratory after potency testing along with a statement that the actual value may vary from the reported value by 10%.

The actual concentration of THC and CBD can vary from the reported value by 10%. This is the normal variance allowable in products and is sometimes regarded as the margin of error for test results.

Example:

The label states a product contains 50mg Delta-9 THC, it is reasonable that the normal variance of the product is allowed to be +/- 5mgs. This means that the THC concentration could be as low as 45mgs or as high as 55mgs.

If a THC concentration is listed at 35mgs. A variation of 3.5mgs in either direction is possible. This would mean that the THC concentration could be as low as 31.5mgs or as high as 38.5mgs

To calculate the potential variance, take the concentration listed (for example 50mg) and multiply it by 0.1, 0.1 is 10%. Example: $50 \times 0.1 = 5\%$. That will give 10% variance amount. To find out the variance range, subtract the variance amount from the listed concentration, this will provide the lower variance $50\text{mg} - 5\text{mg} = 45\text{mg}$ and additionally add the variance amount to the listed concentration to get the upper variance $50\text{mg} + 5\text{mg} = 55\text{mg}$. This will provide a range for the product of 55-45mgs.



Business Operations Questions: Labeling

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Q: What does the MRA consider false or misleading labels?

A: Administrative Rule R 420.507(2) states in pertinent part:

A person shall not make any deceptive, false, or misleading assertions or statements on any marijuana product, sign, or document provided.

Assertions or statements on a marijuana product includes any information on the product packaging and/or tags/stickers affixed to the product. This also means that there cannot be contradictory information listed on marijuana products. This would be in violation of the administrative rule. Producers who use pre-made packaging provided by a brand whose products they make should be especially careful to ensure that information on the pre-made packaging does not contradict any information the producer affixes to the package after production.

Under R 420.507(5) A person receiving reasonable payment under a licensing agreement or contract approved by the agency concerning the licensing of intellectual property, including, but not limited to, brands and recipes, is responsible for any marketing or advertising undertaken by either party to the agreement. If a licensee is producing products under a licensing agreement and using pre-made product packaging, it is the licensee's responsibility to ensure that the packaging and all affixed tags/stickers are compliant with the administrative rules.



Business Operations Questions: METRC

The purpose of this bulletin is to provide answers to frequently asked questions, clarify, and provide guidance for licensees.

Q: As a licensee, is it compliant for me to use all the functions I see in METRC?

A: Metrc is a nationwide program that is being used by the State of Michigan and contains functionality and information that may not be compliant with our statutes and rules. Existence of Metrc function does not authorize its use and may result in disciplinary proceedings. Metrc is a housing system for your marijuana business information. Metrc will not ensure compliance with our statutes and rules. The responsibility to ensure compliance is on the licensee.

For example:

- Metrc has a “return to sender” function. Licensees under the MMFLA are not authorized to return product to a sender.
- Metrc will allow a licensee to sell a product that is on administrative hold and will not prevent the sale. Under the Administrative Rules if a product is on administrative hold, it is not allowed to be sold or transferred.
- Metrc will not prevent you from entering an unauthorized license number/type for transferring product, e.g., an adult-use grower inputting a medical marijuana secured transporter for transport.

Q: As a licensee, am I responsible if something goes wrong with my third-party integrator, point-of-sale systems (POS)?

A: If a licensee chooses to use a third-party integrator point-of-sale system (POS), it is the licensee’s responsibility to ensure that data from the POS is reflected accurately in Metrc. A licensee should ensure that its POS is communicating with Metrc and data is transferred appropriately. Under the statutes and administrative rules, the accuracy of data in Metrc is required, not the accuracy in the POS. The licensee is responsible for ensuring the data in Metrc is accurate. For example, if a licensee’s POS system is not batching appropriately (e.g., daily or in real time,) and its Metrc inventory is not tracking accurately, the licensee may be subject to disciplinary proceedings.

For example: If a licensee’s POS system is not batching appropriately (e.g., daily or in real time) and its Metrc inventory is not tracking accurately, the licensee may be subject to disciplinary proceedings.