



COLORADO
Department of Revenue
Enforcement Division - Marijuana

MED 2015 Annual Update

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September 26, 2016

Licensing Quick Facts

<u>Local Jurisdictions</u>	<u>Business Licenses</u>	<u>Occupational Licenses</u>
<ul style="list-style-type: none"> • 75 of 321 local jurisdictions reporting allow both medical and retail licenses • A total of 100 local jurisdictions or 31% allow some form of commercial marijuana businesses 	<ul style="list-style-type: none"> • 1,469 medical business licenses at the end of 2015 • 1,123 retail business licenses at the end of 2015 	<ul style="list-style-type: none"> • 26,929 active occupational licenses at the end of 2015 • That is an increase of 68% from the 15,992 active occupational licenses at the end of 2014

Table 1A: Local Jurisdiction Marijuana Business Licensing Status as of December 31, 2015

Medical and Retail Marijuana Commercial Businesses Banned	221
Medical Marijuana Commercial Businesses Only	16
Retail Marijuana Commercial Businesses Only	9
Medical and Retail Marijuana Commercial Businesses Allowed	75
Total	321

Table 1B: Local Jurisdiction Marijuana Business Licensing Status as of December 31, 2014

Medical and Retail Marijuana Commercial Businesses Banned	228
Medical Marijuana Commercial Businesses Only	21
Retail Marijuana Commercial Businesses Only	5
Medical and Retail Marijuana Commercial Businesses Allowed	67
Total	321

Table 2A: 2015 Month-End Business License Totals by Type

	January	February	March	April	May	June	July	August	September	October	November	December
Medical Businesses												
Centers	505	504	503	503	511	512	510	515	515	517	508	516
Medical Cultivations	747	756	748	744	762	763	759	762	763	765	736	751
MIP (Infused Product Manufacturer)	168	171	175	173	181	183	186	192	194	201	197	202
Total	1,420	1,431	1,426	1,420	1,454	1,458	1,455	1,469	1,472	1,483	1,441	1,469
Retail Establishments												
Retail Stores	334	341	356	364	361	372	380	385	394	394	408	424
Retail Cultivations	415	431	444	452	463	471	480	496	511	505	512	514
Product Manufacturers	103	107	118	123	126	132	134	141	147	152	160	168
Testing Facilities	17	18	19	19	19	19	16	16	17	17	17	17
Total	869	897	937	958	969	994	1,010	1,038	1,069	1,068	1,097	1,123
Total Licensed Premises	2,289	2,328	2,363	2,378	2,423	2,452	2,465	2,507	2,541	2,551	2,538	2,592

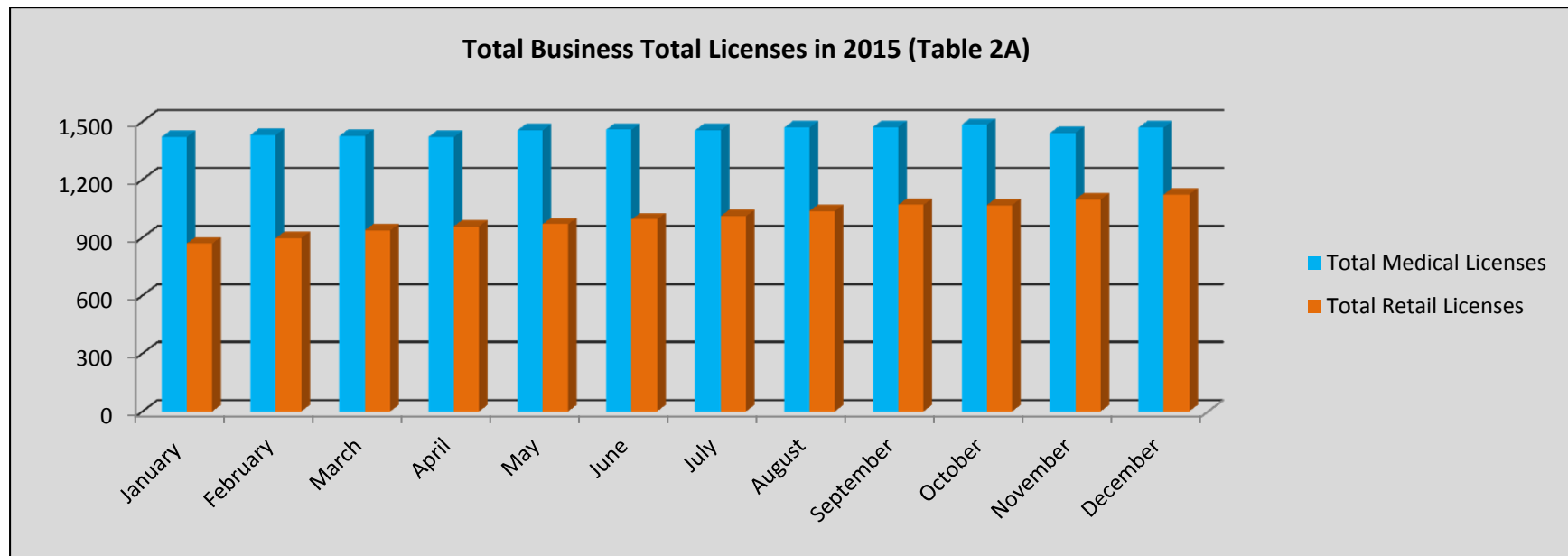
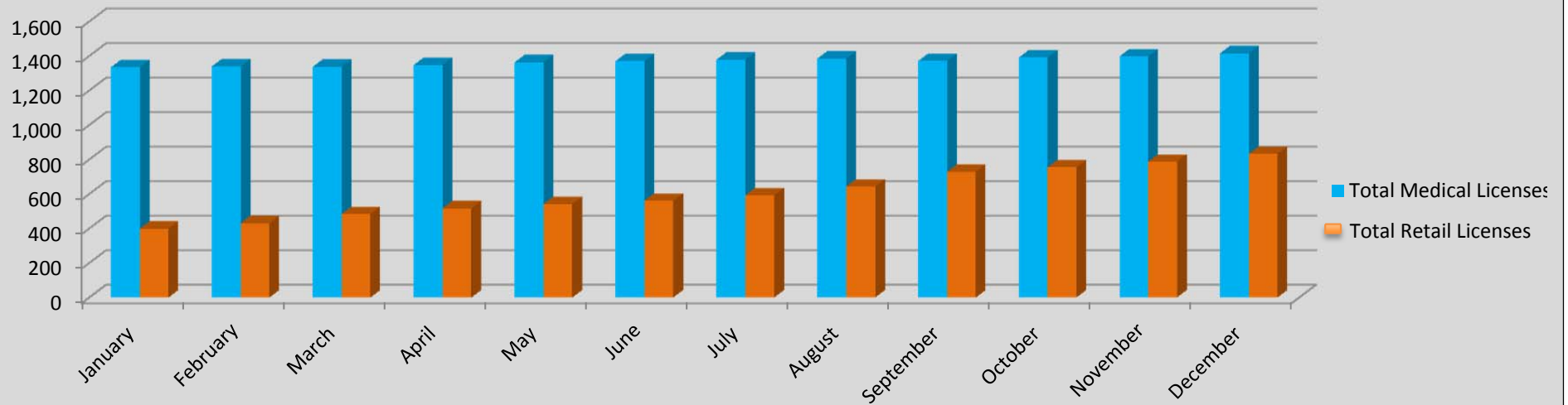


Table 2B: 2014 Month-End Business License Totals by Type

	January	February	March	April	May	June	July	August	September	October	November	December
Medical Businesses												
Centers	493	493	489	490	493	493	496	496	493	497	501	505
Medical Cultivations	713	717	715	719	727	729	731	735	725	737	739	748
MIP (Infused Product Manufacturer)	129	130	134	139	144	149	152	155	154	158	158	163
Total	1,335	1,340	1,338	1,348	1,364	1,371	1,379	1,386	1,372	1,392	1,398	1,416
Retail Establishments												
Retail Stores	156	169	188	197	205	212	221	242	282	292	306	322
Retail Cultivations	204	220	243	259	272	279	293	316	347	359	375	397
Product Manufacturers	36	39	49	54	58	63	66	73	85	89	92	98
Testing Facilities	3	3	4	7	7	8	13	13	15	15	15	16
Total	399	431	484	517	542	562	593	644	729	755	788	833
Total Licensed Premises	1,734	1,771	1,822	1,832	1,906	1,933	1,972	2,030	2,101	2,147	2,186	2,249

Total Business Total Licenses in 2014 (Table 2B)



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Table 3A: 2015 Month-End Occupational License Data

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Key License Issued	245	256	303	292	243	277	291	312	312	310	288	279	3,408
Support Licenses Issued	882	835	956	887	840	881	910	917	948	953	744	719	10,472
Total Number of New Occupational Licenses Issued^a	1,127	1,091	1,259	1,179	1,083	1,158	1,201	1,229	1,260	1,263	1,032	998	13,880
Key Licenses Renewed	19	18	33	39	54	73	85	76	59	95	119	157	827
Support Licenses Renewed	21	33	45	40	57	61	74	54	46	70	59	159	719
Total Occupational Licenses Renewed	40	51	78	79	111	134	159	130	105	165	178	316	1,546
Percent of Occupational Licenses Renewed	37%	44%	47%	48%	58%	47%	42%	42%	39%	45%	43%	45%	45% Average
Key Licenses Expired	12	16	16	19	18	40	60	71	40	52	58	116	518
Support licenses Expired	57	48	70	67	62	108	162	142	127	148	182	273	1,446
Total Expired	69	64	86	86	80	148	222	213	167	200	240	389	1,964
Total Number of Active Occupational Licenses^b	16,900	17,927	19,100	20,193	21,212	22,212	23,191	24,207	25,300	25,110	25,442	26,929	
Retail Marijuana Occupational Licenses ^c	7	7	10	11	12	12	12	12	11	11	11	9	

^a Medical Marijuana Occupational Licenses Issued data are month-end totals that illustrate how many of each category was processed during any given month.

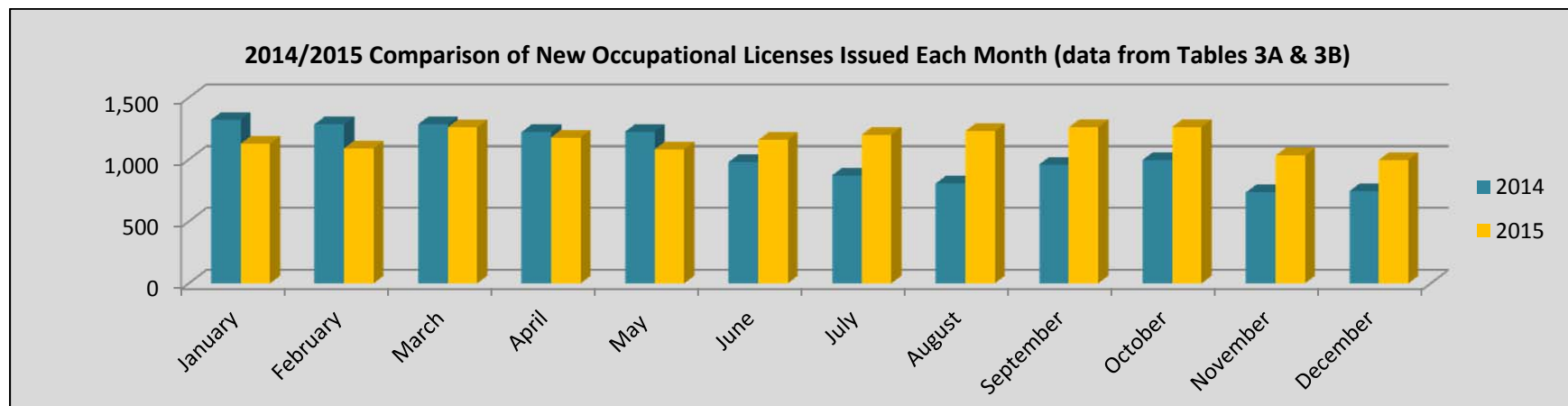
^b Total Number of Valid Medical Marijuana Occupational Licenses data is a cumulative total of valid licenses at the end of each month; this number is calculated by subtracting the number of licenses expired each month from the number of licenses issued that month and combining this new total with the total number of valid licenses from the previous month.

^c Retail Occupational License data is a cumulative total of valid licenses at the end of each month. This license class is quickly becoming obsolete due to legislation that aligned the Medical Marijuana Occupational License Criteria. Therefore, holders of the Retail Occupational license are opting to apply for the Medical Marijuana Support Occupational license because they are valid for two years for the same renewal fee and the holder is eligible to work within both industries rather than just the Retail Marijuana Industry.

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Table 3B: 2014 Month-End Occupational License Data

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Key License Issued	314	233	197	217	165	162	152	134	131	148	100	115	2,068
Key Licenses Renewed	24	28	33	20	40	16	9	10	11	8	10	11	220
Support Licenses Issued	934	984	982	909	955	768	695	650	802	827	607	608	9,721
Support Licenses Renewed	49	40	73	76	65	34	17	13	16	14	18	10	425
Total Number of New Occupational Badges Issued	1,321	1,285	1,285	1,222	1,225	980	873	807	960	997	735	744	12,434
Key Licenses Expired	31	28	35	52	52	22	10	13	12	12	5	1	273
Support Licenses Expired	145	121	145	183	163	98	40	32	31	45	36	38	1,077
Total Occupational Badges Expired	176	149	180	235	215	120	50	45	43	57	41	39	1,350
Percent of Occupational Licenses Renewed	29%	31%	37%	29%	33%	29%	34%	34%	39%	28%	41%	35%	32%
Percent of Occupational Licenses Expired	71%	69%	63%	71%	67%	71%	66%	66%	61%	72%	59%	65%	68%



Marijuana Plant Quick Facts

Medical Industry

- Licensees cultivated an average of 51% of the number of plants they were authorized to grow

Retail Industry

- There was a 58% increase in the average number of Retail plants cultivated from January to December of 2015

Combined

- A combined average of 597,415 plants were cultivated each month in 2015. In 2014, the combined average was 438,612 plants cultivated per month - a 36% increase in 2015

Table 4A: 2015 Month-End Average of Plants Cultivated within the Medical Marijuana Industry

	January	February	March	April	May	June	July	August	September	October	November	December
Average Authorized Medical Plants	621,120	621,339	619,194	617,645	611,474	615,347	625,270	629,441	629,358	623,518	608,180	599,336
Average Cultivated Medical Plants	304,149	313,218	318,680	316,247	310,070	302,089	300,050	301,012	309,120	325,675	328,752	327,960
Percentage of Authorized Growth Capacity	49%	50%	51%	51%	51%	49%	48%	48%	49%	52%	54%	55%

Table 4B: 2014 Month-End Average of Plants Cultivated within the Medical Marijuana Industry

	January	February	March	April	May	June	July	August	September	October	November	December
Average Authorized Medical Plants	550,187	602,830	636,429	653,019	648,380	649,256	657,985	660,733	648,493	624,034	618,582	616,575
Average Cultivated Medical Plants	194,476	318,694	319,889	311,250	309,580	311,723	313,643	305,870	305,039	300,809	296,277	302,793
Percentage of Authorized Growth Capacity	35%	53%	50%	48%	48%	48%	48%	46%	47%	48%	48%	49%

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Table 5A: 2015 Month-End Average of Plants Cultivated within the Retail Marijuana Industry

	January	February	March	April	May	June	July	August	September	October	November	December
Average Cultivated Retail Plants	219,688	221,829	232,869	247,066	260,656	283,551	306,900	321,781	321,525	321,856	327,321	346,921

Table 5B: 2014 Month-End Average of Plants Cultivated within the Retail Marijuana Industry

	January	February	March	April	May	June	July	August	September	October	November	December
Average Cultivated Retail Plants	24,767	54,918	83,026	112,741	130,852	144,763	155,817	165,503	179,399	195,953	208,761	216,802

Table 6A: 2015 Monthly Average of Marijuana Plants Cultivated

	January	February	March	April	May	June	July	August	September	October	November	December
Medical Marijuana	304,149	313,218	318,680	316,247	310,070	302,089	300,050	301,012	309,120	325,675	328,752	327,960
Retail Marijuana	219,688	221,829	232,869	247,066	260,656	283,551	306,900	321,781	321,525	321,856	327,321	346,921
Total	523,837	535,047	551,549	563,313	570,726	585,640	606,950	622,793	630,645	647,531	656,073	674,881

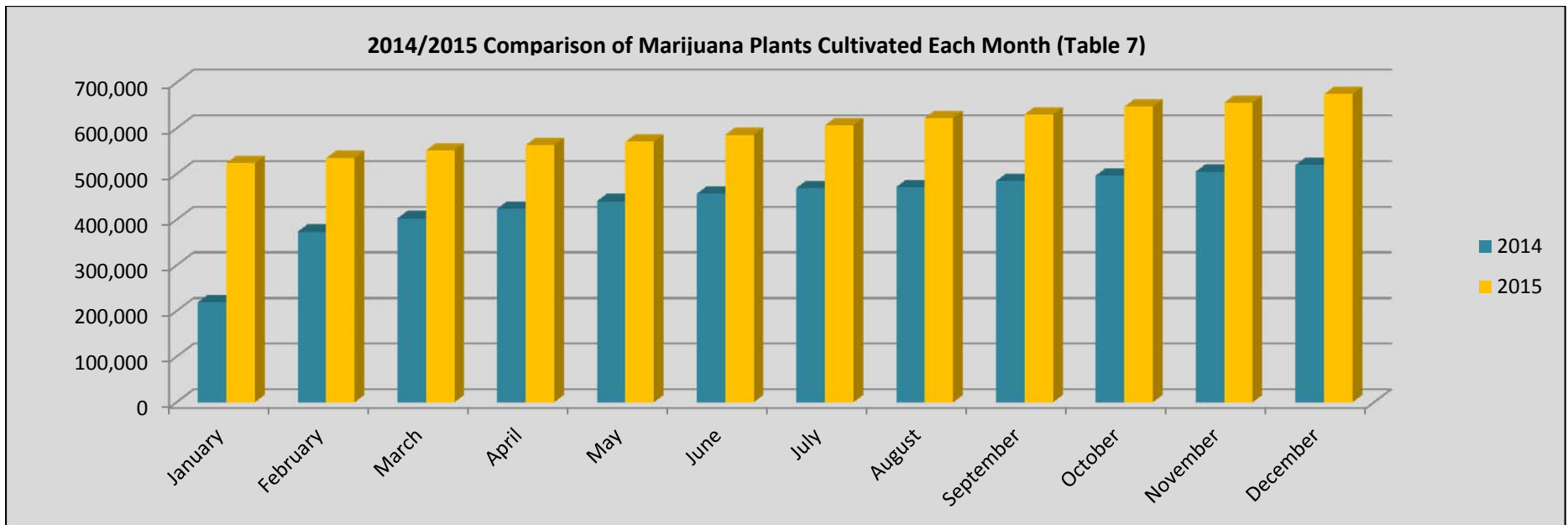
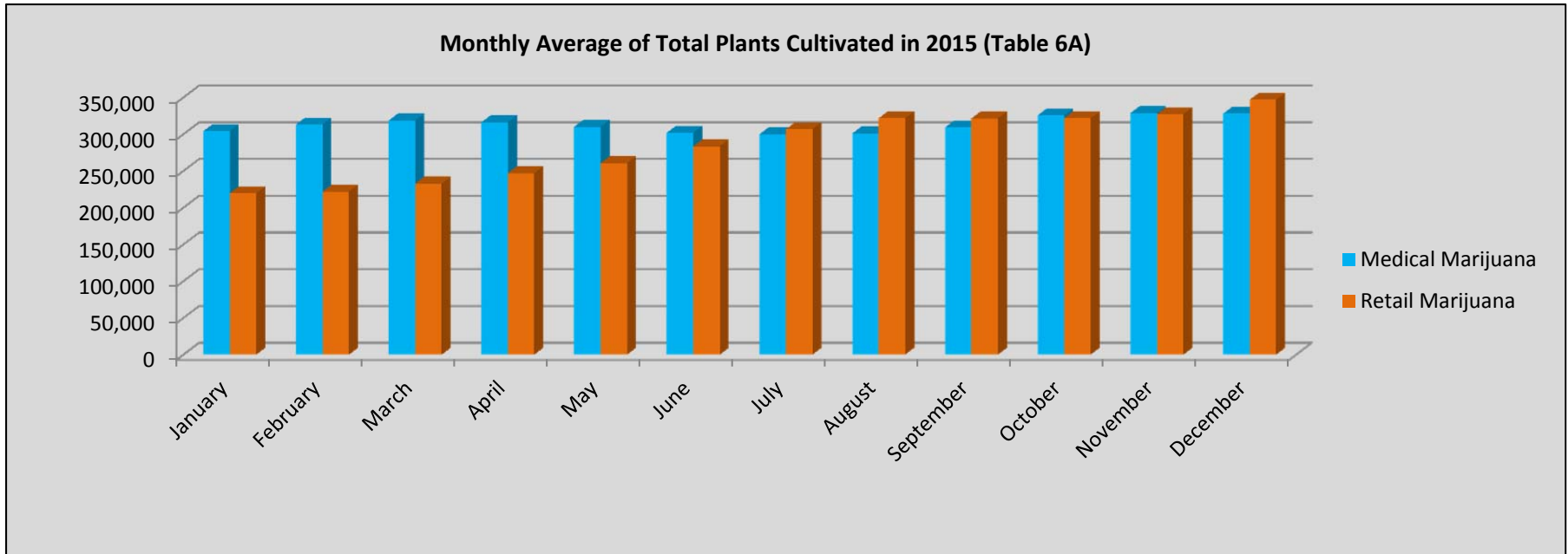
Table 6B: 2014 Monthly Average of Marijuana Plants Cultivated

	January	February	March	April	May	June	July	August	September	October	November	December
Medical Marijuana	194,476	318,694	319,889	311,250	309,580	311,723	313,643	305,870	305,039	300,809	296,277	302,793
Retail Marijuana	24,767	54,918	83,026	112,741	130,852	144,763	155,817	165,503	179,399	195,953	208,761	216,802
Total	219,243	373,612	402,915	423,991	440,432	456,486	469,460	471,373	484,438	496,762	505,038	519,595

Table 7: 2014/2015 Comparison of Monthly Average of Marijuana Plants Cultivated

	January	February	March	April	May	June	July	August	September	October	November	December
2014 Average Plants Cultivated	219,243	373,612	402,915	423,991	440,432	456,486	469,460	471,373	484,438	496,762	505,038	519,595
2015 Average Plants Cultivated	523,837	535,047	551,549	563,313	570,726	585,640	606,950	622,793	630,645	647,531	656,073	674,881

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Volume of Marijuana Sold Quick Facts

Highest Volume Month

- The month of July 2015 recorded the highest volume of sales in each of the three categories of marijuana flower, edibles, and non-edibles

Bud/Flower

- An average of 20,956 pounds of bud/flower were sold per month in 2015
- That breaks down to an average of 12,045 pounds at medical centers and 8,911 pounds at retail stores

Edibles

- Retail stores sold an average of 251,535 more units of edibles per month than medical centers in 2015
- The combined total of edible units sold in 2015 was up over 2.7 million units; a 57% increase from 2014

Table 8A: 2015 Total Pounds of Bud/Flower Sold by Month

	January	February	March	April	May	June	July	August	September	October	November	December
Medical	8,930	9,130	10,673	11,827	11,981	12,797	16,295	15,324	14,089	12,684	10,401	10,406
Retail	6,049	5,968	7,712	8,135	8,448	10,743	9,898	10,247	10,764	9,875	9,085	10,008
Total	14,979	15,098	18,385	19,962	20,429	23,540	26,193	25,571	24,853	22,559	19,486	20,414

Table 8B: 2014 Total Pounds of Bud/Flower Sold by Month (this information was contained in Table 7 of the 2014 Update)

	January	February	March	April	May	June	July	August	September	October	November	December
Medical	3,150	7,686	9,819	8,955	11,338	10,020	9,624	11,531	10,148	9,692	8,816	8,799
Retail	1,070	1,262	2,187	2,180	2,627	3,075	4,181	4,573	4,112	4,319	4,125	4,949
Total	4,220	8,948	12,006	11,135	13,965	13,095	13,805	16,104	14,260	14,011	12,941	13,748

Table 9: 2014–2015 Comparison of Total Pounds of Flower Sold in Both Industries

	January	February	March	April	May	June	July	August	September	October	November	December
2014	4,220	8,948	12,006	11,135	13,965	13,095	13,805	16,104	14,260	14,011	12,941	13,748
2015	14,979	15,098	18,385	19,962	20,429	23,540	26,193	25,571	24,853	22,559	19,486	20,414

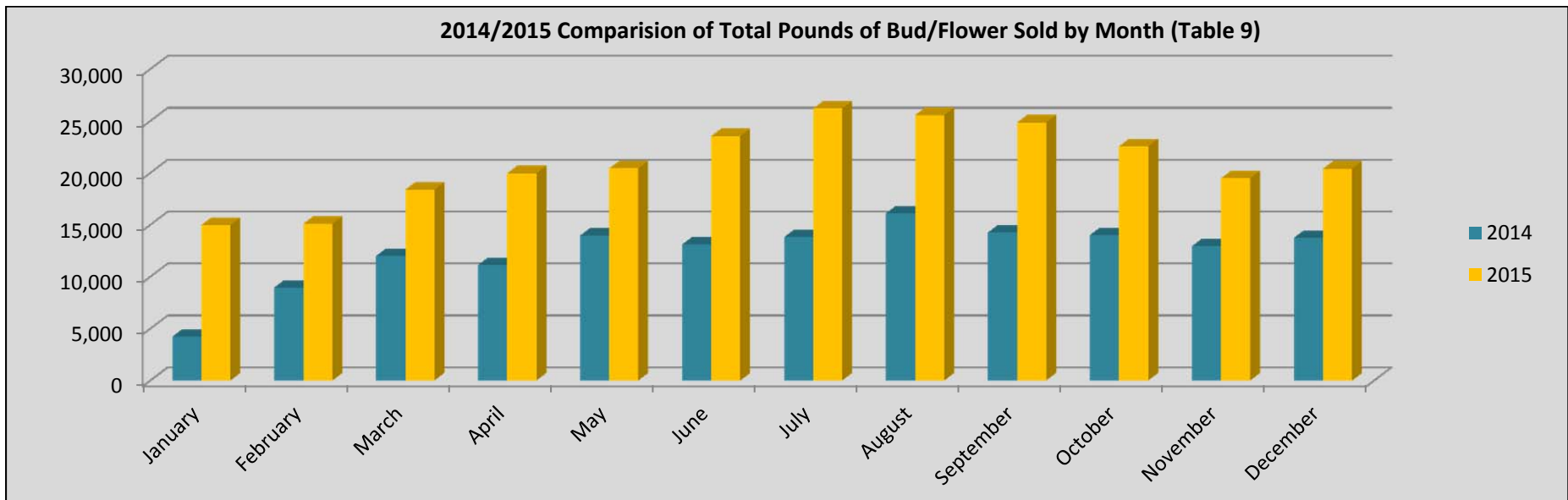
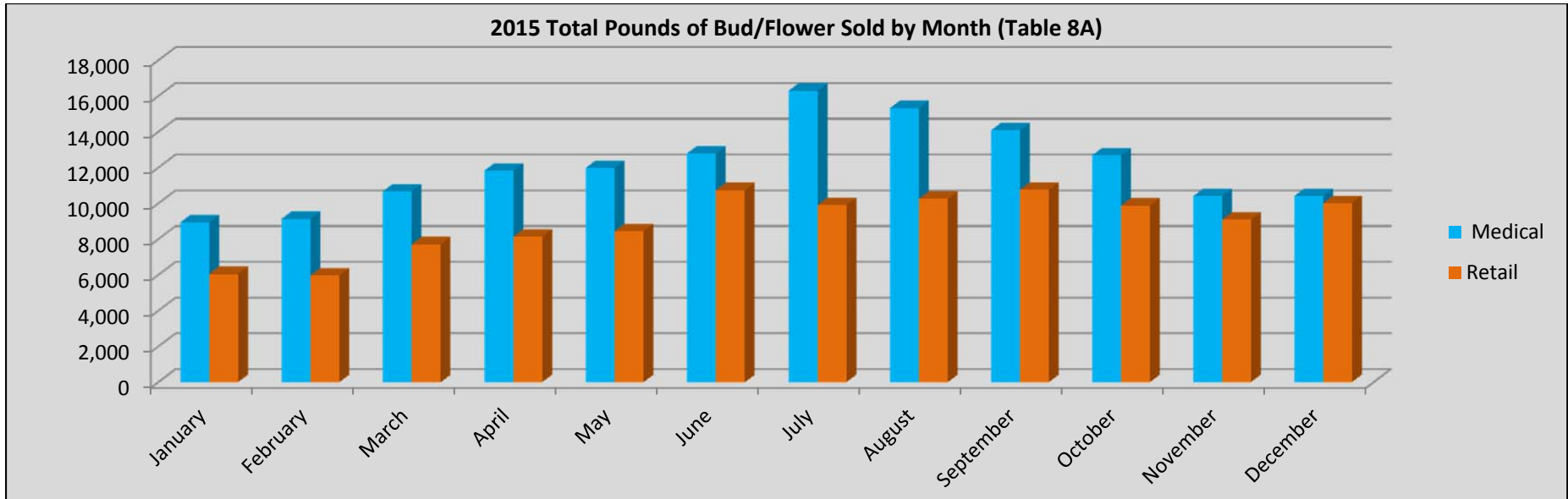


Table 10A: 2015 Total Units of Edibles Sold by Month

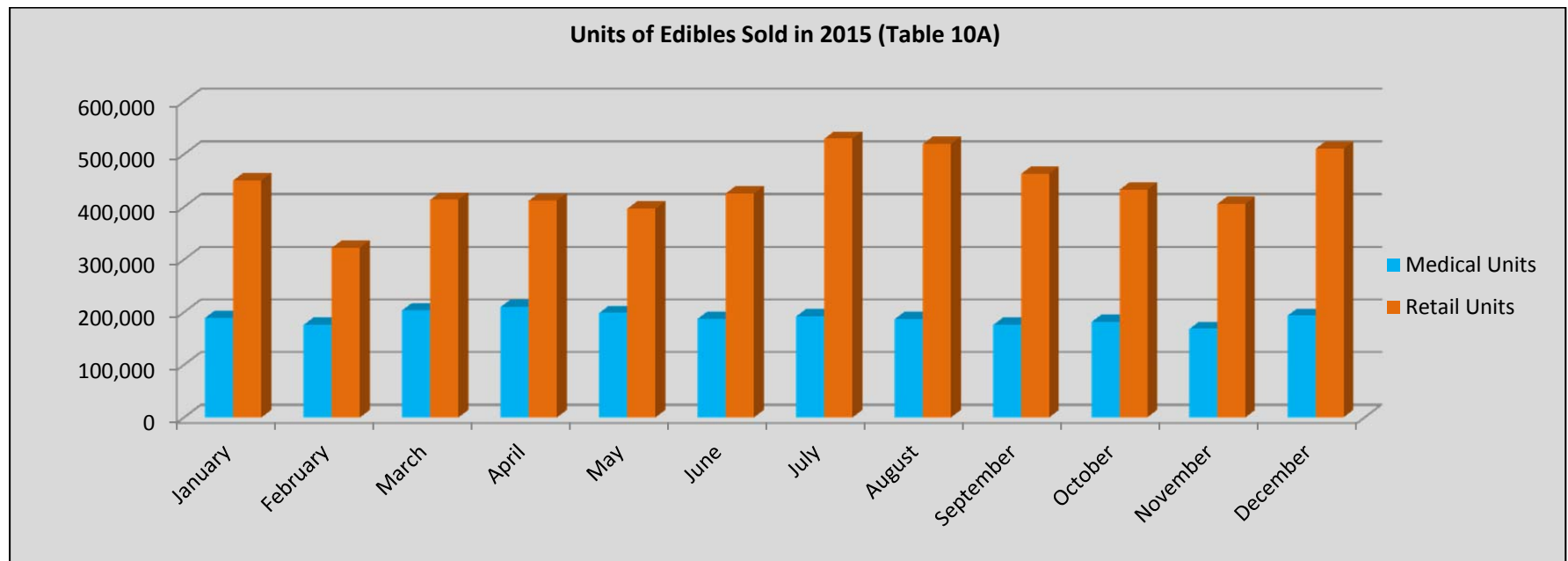
	January	February	March	April	May	June	July	August	September	October	November	December
Medical	189,317	175,900	203,608	210,071	198,481	187,488	192,087	186,931	175,668	181,029	168,124	193,171
Retail	450,392	322,270	413,657	411,837	396,503	425,746	529,512	519,465	462,833	432,291	405,647	510,144
Total	639,709	498,170	617,265	621,908	594,984	613,234	721,599	706,396	638,501	613,320	573,771	703,315

Table 10B: 2014 Total Units of Edibles Sold by Month (this information was contained in Table 8 of the 2014 Update)

	January	February	March	April	May	June	July	August	September	October	November	December
Medical	53,760	139,750	196,891	185,068	171,999	157,038	171,272	179,469	167,707	177,569	169,136	195,258
Retail	69,406	111,519	185,520	205,729	201,358	235,989	313,222	344,313	268,005	282,906	274,319	358,447
Total	123,166	251,269	382,411	390,797	373,357	393,027	484,494	523,782	435,712	460,475	443,455	553,705

Table 11: 2014/2015 Comparison of Total Units of Edibles Sold in Both Industries

	January	February	March	April	May	June	July	August	September	October	November	December
2014	123,166	251,269	382,411	390,797	373,357	393,027	484,494	523,782	435,712	460,475	443,455	553,705
2015	639,709	498,170	617,265	621,908	594,984	613,234	721,599	706,396	638,501	613,320	573,771	703,315



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Table 12A: 2015 Total Units of Non-Edibles Sold

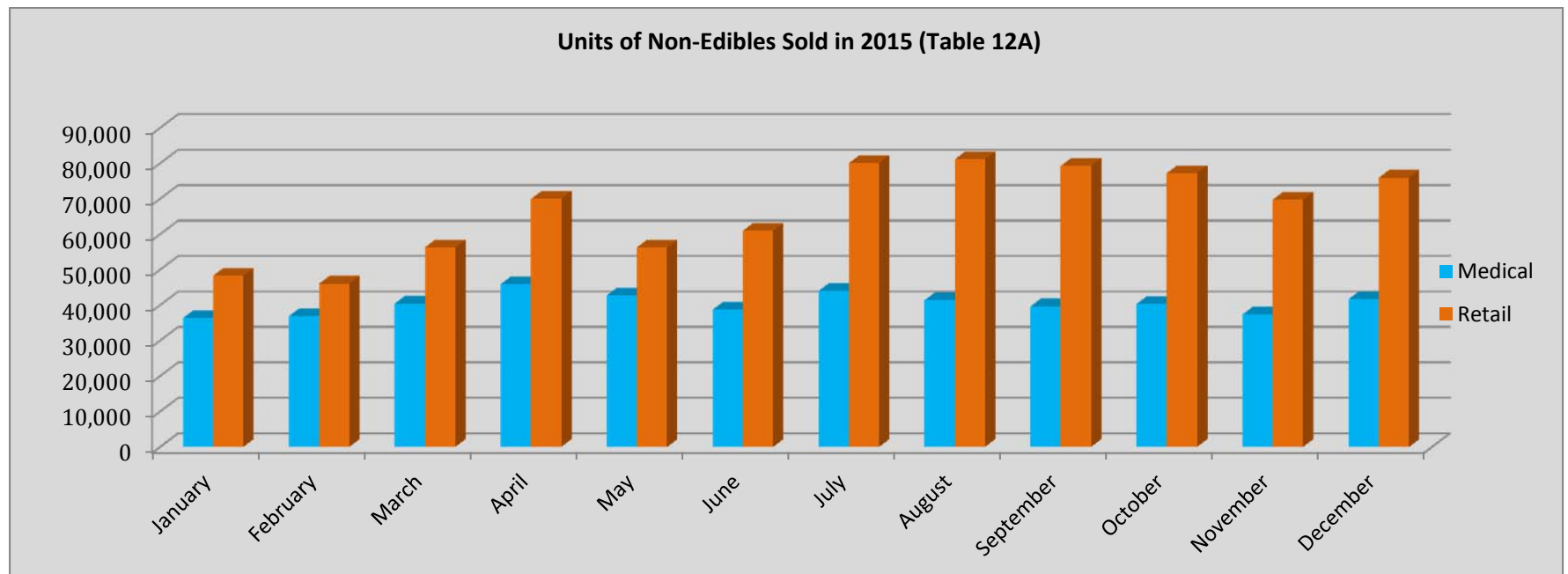
	January	February	March	April	May	June	July	August	September	October	November	December
Medical	36,317	36,873	40,433	45,914	42,731	38,703	43,990	41,372	39,653	40,312	37,363	41,701
Retail	48,310	46,030	56,303	69,961	56,295	60,970	80,035	81,129	79,259	77,224	69,748	75,951
Total	84,627	82,903	96,736	115,875	99,026	99,673	124,025	122,501	118,912	117,536	107,111	117,652

Table 12B: 2014 Total Units of Non-Edibles Sold (this information was contained in Table 9 of the 2014 Update)

	January	February	March	April	May	June	July	August	September	October	November	December
Medical	12,141	27,769	31,945	34,197	36,082	37,259	35,297	42,410	38,411	42,211	36,573	36,804
Retail	7,235	12,257	21,169	30,440	25,699	31,397	36,079	42,273	38,292	40,029	35,879	38,663
Total	19,376	40,026	53,114	64,637	61,781	68,656	71,376	84,683	76,703	82,240	72,452	75,467

Table 13: Table 2014/2015 Comparison of Total Units of Non-Edibles Sold in Both Industries

	January	February	March	April	May	June	July	August	September	October	November	December
2014	19,376	40,026	53,114	64,637	61,781	68,656	71,376	84,683	76,703	82,240	72,452	75,467
2015	84,627	82,903	96,736	115,875	99,026	99,673	124,025	122,501	118,259	117,36	107,111	117,652



Retail Marijuana Testing

Quick Facts

Edibles

- Edibles average a 99% pass rate for Potency and Homogeneity tests
- On average, 2,351 retail marijuana edible samples were submitted for testing each month

Solvent-Based Concentrates

- Solvents are used to extract cannabinoids such as THC or CBD from raw marijuana product
- An average of 1,147 samples of solvent-based concentrates were tested each month and an average of 43 samples failed each month (4%)

Microbial Contaminant Testing

- Microbial contaminant testing is mandatory for each Harvest Batch of Retail Marijuana and Production Batch of Retail Marijuana Concentrate and Retail Marijuana Product (until process validation is met).
- In the 4th quarter of 2015, there were 15,304 individual packages tested for microbial contaminants and over 91% passed

Table 14A: 2015 Mandatory Retail Marijuana Potency Testing for Edibles

	January	February	March	April	May	June	July	August	September	October	November	December
Total Tested	750	1,039	1,026	2,600	1,437	1,723	2,129	2,329	2,700	2,273	2,090	2,615
Total Passed	739	1,032	1,023	2,594	1,427	1,709	2,115	2,318	2,690	2,250	2,025	2,557
Total Failed	11	7	3	6	10	14	14	11	10	23	65	58
% Passed	99%	99%	99.8%	99.7%	99%	99%	99%	99%	99%	99%	97%	98%

Table 14B: 2014 Mandatory Retail Marijuana Potency Testing for Edibles (this information contained in Table 10 of the 2014 Update; potency testing began in May 2014)

	January	February	March	April	May	June	July	August	September	October	November	December
Total Tested					399	514	515	485	627	490	392	471
Total Passed					379	512	508	477	618	473	388	466
Total Failed					20	2	7	8	9	17	4	5
% Passed					95.0%	99.0%	99%	98%	99%	96%	99%	99%

Table 15A: 2015 Mandatory Retail Marijuana Homogeneity Testing for Edibles

	January	February	March	April	May	June	July	August	September	October	November	December
Total Tested	332	405	413	478	364	490	509	529	528	560	399	492
Total Passed	332	405	413	477	364	489	509	527	528	560	398	491
Total Failed	0	0	0	1	0	1	0	2	0	0	1	1
% Passed	100%	100%	100%	99.8%	100%	99.8%	100%	99%	100%	100%	99.7%	99.8%

Table 15B: 2014 Mandatory Retail Marijuana Homogeneity Testing for Edibles (this information contained in Table 11 of the 2014 Update; homogeneity testing began July 2014)

	January	February	March	April	May	June	July	August	September	October	November	December
Total Tested							289	433	533	361	281	364
Total Passed							289	429	532	355	277	361
Total Failed							—	4	1	6	4	3
% Passed							100.0%	99%	99.8%	98%	99%	99%

Table 16: 2015 Mandatory Retail Marijuana Residual Solvent Testing for Concentrates (solvent testing began in April 2015)

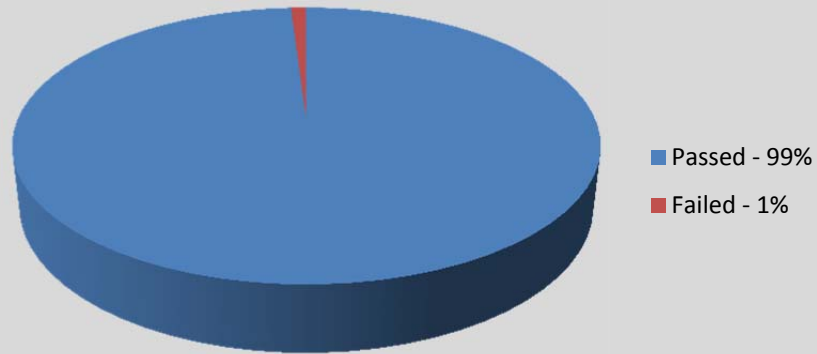
	January	February	March	April	May	June	July	August	September	October	November	December
Total Tested				1,071	1,141	1,208	1,139	1,179	1,105	1,100	1,052	1,333
Total Passed				950	1,077	1,168	1,113	1,162	1,092	1,072	1,015	1,286
Total Failed				121	64	40	26	17	13	28	37	47
% Passed				89%	94%	97%	98%	99%	99%	97%	96%	96%

Table 17: 2015 Mandatory Retail Marijuana Testing for Microbial Contaminants (microbial testing of flower, concentrates and infused products began in late September 2015)

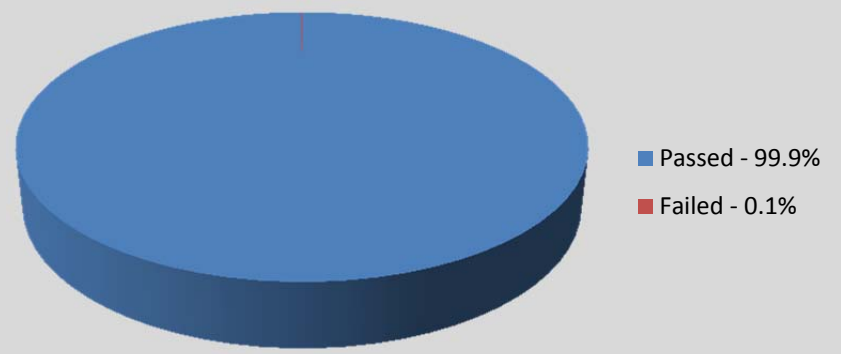
	January	February	March	April	May	June	July	August	September	October	November	December
Total Tested										3,348	5,759	6,197
Total Passed										3,075	5,298	5,635
Total Failed										273	461	562
% Passed										91.8%	92.0%	90.9%

2015 Retail Marijuana Testing Results

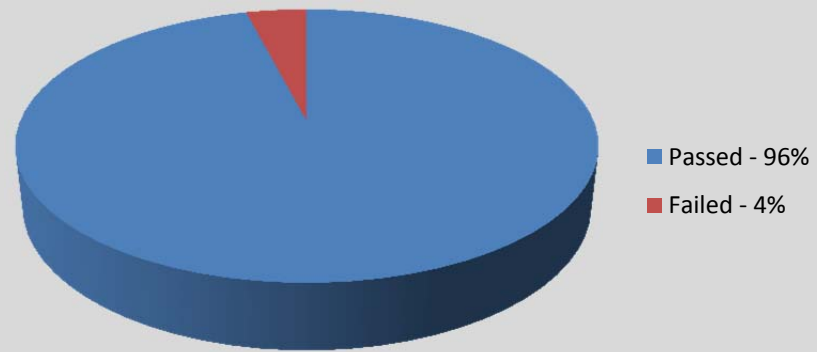
Infused Edibles Potency (Table 14A)



Infused Edibles Homogeneity (Table 15A)



Concentrate Solvent Contamination (Table 16)



Microbial Contamination (Table 17)

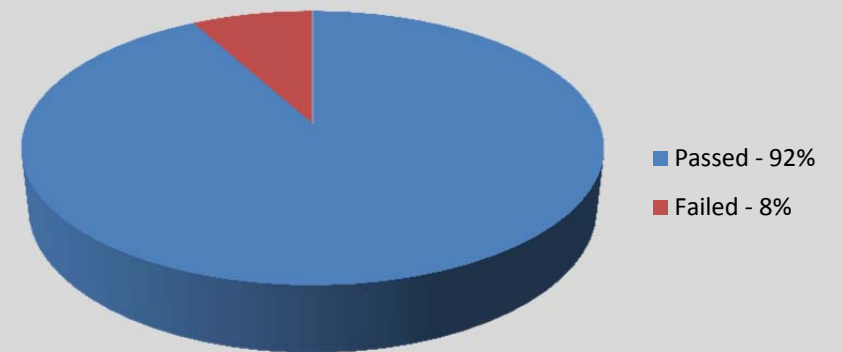


Table 18: 2015 Fourth Quarter Licensing and Enforcement Activity

Change of Location	42	
Change of Ownership	152	
Change of Trade Name	34	
Modification of Premises	105	
<u>Changes to Licenses Subtotal</u>	333	
New Corporate Background Investigation	204	
New Individual Background Investigation	151	
<u>Licensing Investigations Subtotal</u>	355	
<u>Compliance Monitoring & Regulatory/Criminal Enforcement Actions Total</u>		790
Grand Total		1,478

Table 19: 2015 Cumulative Licensing and Enforcement Activity (similar data was contained in Table 12 of the 2014 Annual Update, page 36)

Change of Location	250	
Change of Ownership	412	
Change of Trade Name	113	
Modification of Premises	520	
<u>Changes and License Subtotal</u>	1,295	
New Corporate Background Investigation	889	
New Individual Background Investigation	728	
<u>Licensing Investigations Subtotal</u>	1,617	
<u>Compliance Monitoring & Regulatory/Criminal Enforcement Actions Total</u>		1,646
Grand Total		4,558

Table 20: Fourth Quarter Administrative Actions Issued by the State Licensing Authority (October 1 – December 31)

License Type	Medical Centers	Medical Cultivations	Medical MIPs ^a	Retail Stores	Retail Cultivations	Retail Product Manufacturers	Retail Testing Facilities	Owners or Occupational	Total Number of Licenses Affected
Assurance of Voluntary Compliance	1	2	0	4	3	0	0	18	28
Denials Summary	0	0	0	0	0	0	0	2	2
Suspensions	2	2	0	2	1	0	1	11	19
Order to Show Cause	5	5	0	9	5	0	0	20	44
Stipulation, Agreement and Order	14	17	2	9	4	1	0	33	80

Table 21: Cumulative Administrative Actions Issued by the State Licensing Authority (similar data was contained in Tables 38-40 of the 2014 Annual Update, pages 38-40)

License Type	Medical Centers	Medical Cultivations	Medical MIPs ^a	Retail Stores	Retail Cultivations	Retail Product Manufacturers	Retail Testing Facilities	Owners or Occupational	Total Number of Licenses Affected
Assurance of Voluntary Compliance	10	22	2	14	10	1	0	21	80
Denials Summary	1	1	0	4	2	0	0	20	28
Suspensions	6	8	1	4	4	1	1	24	49
Order to Show Cause	22	31	5 ^b	16 ^c	12 ^d	3 ^e	1	78 ^f	168
Stipulation, Agreement and Order	35	46	9	18	21	4	0	72	205

^a Medical Marijuana Infused Product Manufacturers (MIPs).

^b Corrects data from the Third Quarter 2015 Update, page 12 (Third Quarter Activity: 0; Year to Date: 5).

^c Corrects data from the 2015 Mid-Year Update, page 11 (Second Quarter Activity: 3; Year to Date: 4) and the Third Quarter 2015 Update, page 12 (Third Quarter Activity: 3; Year to Date: 7).

^d Corrects data from the 2015 Mid-Year Update, page 11 (Second Quarter Activity: 3; Year to Date: 6) and the Third Quarter 2015 Update, page 12 (Third Quarter Activity: 1; Year to Date: 7).

^e Corrects data from the Third Quarter 2015 Update, page 11 (Third Quarter Activity: 0; Year to Date: 3).

^f Corrects data from the 2015 Mid-Year Update, page 11 (Second Quarter Activity: 27; Year to Date: 37), and the Third Quarter 2015 Update, page 12 (Third Quarter Activity: 21; Year to Date: 58).