Introduction to California Cannabis Track-and-Trace System

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Executive Director Metrc
Agenda

- Who is Franwell?
- Introduction to Metrc
- Working with Metrc
  - Obtaining User Access
  - Tags and Tracking
  - Plants
  - Packages
  - Manufacturing
  - Transfers
  - Laboratory Testing
  - Retail Sales
  - Reports
- RFID, What and Why
- Integration with other Software
- Support
Who is Franwell?

• 25+ years of business experience in (high flow & volume) supply chain processes & tracking
• 30+ years of experience in computer technologies
• 15+ years focused on auto identification technology (Bar-coding, RFID, etc.)
• Current Statistics:
  • Over 53,000 Industry users enrolled
  • Over 200 State users
  • Over 11,501,800 plants commissioned
  • Over 8,527,139 packages tracked
  • Over 1,421,585 travel manifests processed
Introduction to Metric
Scope

Metrc® is a compliance management solution used by regulatory bodies for the oversight of the cannabis industry.

Metrc is a cloud hosted on-line software reporting system used by licensed cannabis businesses to manage and report supply chain activities as required by State rules.

CCTT-Metrc is California’s implementation of Metrc (metrc.com/California)
What Makes up Metrc?

- The system consists of:
  - A web application
  - Web services
  - A mobile application for site inspection
  - A mobile application for industry use
How Metrc is Built

- Private dedicated hardware
- Secure on-line access
- Real-time with data backup and failover
How Metrc is Organized

- “Immature plant” or “immature” means a cannabis plant that is not flowering.
- “Flowering” means that a cannabis plant has formed a mass of pistils measuring greater than one half inch wide at its widest point.
Working with Metric
Obtaining User Access

- Submit your Annual license application and take the required training
- Obtain approval of Annual license
- Call or email Metrc Support to receive confirmation of Annual license and training completion
- Follow these steps to complete your login credentials upon receipt of welcome email:
  - Click on the first link in the "Welcome to Metrc" email. You will be directed to the website.
  - Accept State Attestation and Metrc Terms and Conditions
  - Setup a User Profile
Setup Business Profile

For each license (facility) add:

1. Employees
2. Strains
3. Items
4. Rooms (Cultivators Only)

California Regulations can be accessed at:

California Department of Food and Agriculture (CDFA): [http://calcannabis.cdfa.ca.gov/](http://calcannabis.cdfa.ca.gov/)
Cultivator licenses

Distributor, Retailer, Testing Laboratory and Microbusiness licenses

California Department of Public Health (CDPH): [https://www.cdph.ca.gov/programs/CEH/DFDCS/Pages/MCSB.aspx](https://www.cdph.ca.gov/programs/CEH/DFDCS/Pages/MCSB.aspx)
Manufacturing licenses

### Permissions for Each Type of License Facility

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<th>Distributor Transporter Only</th>
<th>Manufacturer</th>
<th>Manufacturer Packager Only</th>
<th>Retailer</th>
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</table>
### Setup Product Profile

**Categories**
- Capsule/Tablet
- Concentrate (liquid)
- Concentrate (liquid each)
- Concentrate (solid)
- Concentrate (solid each)
- Edible
- Edible (each)
- Extract (liquid)
- Extract (liquid-each)
- Extract (solid)
- Extract (solid-each)
- Flower
- Fresh Cannabis Plant
- Immature Plant
- Kief
- Leaf
- Liquid
- Liquid (each)
- Pre-Roll Flower
- Pre-Roll Leaf
- Suppository (each)
- Tincture
- Tincture (each)
- Topical
- Topical (liquid)
- Topical (liquid-each)
- Topical (solid)
- Topical (solid-each)
- Vape Oil
- Vape Oil (each)

**Items**
- Item names are used to identify what type of item is packed into a package.
- Category
- Type of product
- Quantity
- Unit of measure
- Used for traceability and recalls if necessary.
Tags and Tracking
Tagged Inventory in Metrc

- There are two types of tagged inventory in Metrc: Plants and Packages.
  - **Plants** are immature or flowering. All plants must enter the system through immature plant lots (up to 100 plants / lot).
    - Immature plant lots (up to 100 plants) are assigned a Unique Identifier Plant tag.
    - Each immature plant must be labelled with the lot Unique Identifier (UID).
    - Individual flowering plants are assigned a Plant tag.
  - **Packages** are created from immature plants, harvest batches, testing lab samples, production batches, and other packages.
- Licensees order tags through Metrc (costs of tags are incorporated into the license fees).
Chain of Custody
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Tag Explanation

Plant

License (Facility) Name
License Number

Identifier
Order Information
Unique Identification Number (UID)

Metrc Seal

Package

• Peal and stick – adhesive backing.
• Package tag is used for transferring packages and tracking of finished product for each licensee in the chain of custody.
• The package tag is perforated with the “Package ID #” printed on the upper and lower sections. (example: can be used for jar labeling in order to identify associated package).
Immature Plant Lot Tagging

- One UID (plant tag) is assigned to an Immature Plant Lot (up to 100 plants per lot).
- Each plant in the lot must be labelled with the corresponding UID.
Tag Attached to Flowering Plant

- Plant Tags are assigned to individual plants when moved to canopy or when plant flowers.
- Must be attached to main stem at the base of each plant using a tamper evident strap or zip tie.
- Must be visible and within clear view.

Reminder

- “Immature plant” or “immature” means a cannabis plant that is not flowering.
- “Flowering” means that a cannabis plant has formed a mass of pistils measuring greater than one half inch wide at its widest point.
Plants
### Plant Tracking

- **Each phase of plant life captured**
- **Ability to replace tags, change rooms, record destroyed plants, record additives, record waste, and create plantings.**
- **Each plant location captured**
- **Each plant uniquely serialized**
- **Complete event history**

<table>
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<th>Events</th>
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<td>Plant planted</td>
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<tr>
<td>Moved plant to room &quot;Immature Room 3&quot;</td>
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<tr>
<td>Changed Growth Phase to Flowering</td>
</tr>
<tr>
<td>Attached tag /AFFF00000000020000000133</td>
</tr>
<tr>
<td>Moved to room &quot;Flower Room 3&quot;</td>
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</table>

**Columns:**
- Tag
- Strain
- Room
- Description
- Date
- Reported

**Actions:**
- Replace Tags
- Change Room
- Changes by Room
- Destroy
- Record Additives
- Record Waste
- Create Plantings
- Manganese
- Harvest
Harvest Steps - Cultivator

- **Harvest Name** – Harvest name is required to be unique name. Strain Name & Harvest Date is recommended best practice.
- **Weight** – The plant in its entirety after being cut from root ball (stems, stalk, flower, leaves, trim, etc.)
- **Waste** – Can be multiple entries but must be reported within 3 days after it is created. Waste may include stems, stalk, flower, leaf, trim, etc.
- **Package** – Package with unique identifier (flower, leaf, kief, fresh cannabis plant, or pre-rolls)
- **Finish** – When Harvest Batch (HB) is completely done (packages created and waste calculated), click ‘Finish’. Any remaining weight associated to the HB is considered moisture loss. Harvest must be completed within 60 days.
- **Transfer** – Must create transfer manifest to move product (by a Distributor) to a Processor or Manufacturer or to a Distributor for testing and quality assurance prior to retail sale.
Harvest Tracking

Each harvest captured

Harvest details captured

All associated plant data captured

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Packages
Packages in Metrc - Definition

- Any amount of cannabis or cannabis product that may be sold, manufactured or transferred, must be placed into one or more packages, each package having a UID (package tag) created in Metrc.

- Any product that you intend to transfer from one licensee to another must have a UID which must be physically attached to the package.

- Metrc allows you to repack any package into a new package.
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Each package uniquely serialized

All associated plant or product data captured

Complete package status & history
Manufacturing
Packages, Intermediate Batches and Production Batches

• Incoming packages can be used in an intermediate batch such as making **concentrate**.
  • Pull from existing packages to make an intermediate batch of **concentrate**.
  • Create a new package for the **concentrate**.
  • The newly packaged **concentrate** may then be partially used in a production batch to make an infused product such as an Infused Edible or Infused Non-Edible or another Concentrate.
Manufactured Product Process

Leaf

Intermediate Batch

OIL

Production Batch

PB 1

PB 2

PB 3

PB 4

Manifest

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Transfers
Transfers

• A transfer must be created anytime a package moves from one licensed facility to another (even on same property).

• A transfer can be rejected by package or wholly reject all packages.

• A rejected package will require the originating Licensee to receive the rejected package back into inventory.

• You can only transport packages if you have a Distributor license or a Laboratory with samples.

• Transporters are required to record actual departure and arrival times in Metrc.
Transfer Tracking

### Introduction to California Cannabis Track-and-Trace System v1.2

<table>
<thead>
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<th>Manifest</th>
<th>Origin</th>
<th>Type</th>
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<th>ETD</th>
<th>ETA</th>
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<td>000000001</td>
<td>OKI</td>
<td>Transfer</td>
<td>4</td>
<td>01/03/2018 11:40 am</td>
<td>01/03/2018 12:43 pm</td>
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**Transfer manifest** created, and monitored by the system.

**Licensed Transporter** and estimated and actual departure and arrival times.

**Manifest package details**
Notes to Remember about Transfers

• A package must exist in order for it to be selected for transfer. Transfers are real-time inventory-dependent.

• If you receive a package that doesn’t match the weight, volume or count on the manifest (but varies only slightly) you must adjust the package in your inventory to report the actual, adjusted weight, volume or count.

• If you have any question at all about the transfer; then you need to reject it.
Transfer Procedures – Annual vs. Temporary Licenses
Transfers Involving Temporary Licensees

- After completing required training, an approved Annual licensee will be credentialed into Metrc and report supply chain activities (Metrc Enabled).

- Temporary licensees will not be provided access to Metrc to report supply chain activities (non-Metrc Enabled).

- Transfers between temporary and Annual licensees require some manual paper process.
  - The paper process is also required for transfers between two temporary licensees.
Manual Manifest Transfer Process

If the **originating** licensee is a Metrc enabled Annual licensee and the destination entity is a temporary licensee:

- The originating licensee creates an external manifest in Metrc by manually entering the temporary licensee information on the external transfer manifest.
- The Distributor keeps the manifest during transport, and documents the departure and arrival information.
- The destination licensee receives the transfer and follows the paper process prescribed by the Licensing Authority.
Manual Manifest Transfer Process

If the **destination** licensee is a Metrc enabled annual licensee and the sending entity is a temporary licensee:

- The originating temporary licensee creates a paper transfer document (per the paper process prescribed by the Licensing Authority) that contains the required package details.

- The Distributor keeps the paper transfer document during transport, and documents the departure and arrival information.

- The destination licensee enters the paper transfer document details and assigns a package tag UID from Metrc using the external transfer function.
Distributors
Distributors

- Only Distributors can transport packages
- Testing Laboratories can transport packages of samples
- Important role in maintaining Chain of Custody during transport
- Responsible for submitting samples of final product for testing prior to transferring to Retailer
- Distributors are required record actual departure and arrival times at destinations and layover stops in Metrc
Chain of Custody

- Immature Plant Lot ID
- Plant ID
- Immature Plant Lot (up to 100 plants)
- Flowering Plant
- Harvest Batch
- The Harvest Batch Name connects the package to the plant.
- Receive Package
- Transfer
- Package
- Same Package ID
Laboratory Testing
Lab Test Results

Test Result Tracking

Selecting a Test Batch Adds One or More Tests

Test Results recorded by Quantity and Status

Notes can also be recorded.
Retail Sales
Sales

鲐 Recording of Sales in Metrc is “reporting last event in chain of custody” and are entered by transaction per California requirements

鲐 Total quantity
鲐 Unit of Measure
鲐 Date and time
鲐 Total dollars of the sale

鲐 Transactions must be entered within 24 hours

鲐 There is sales data import functionality currently with POS companies
鲐 CSV File upload
Reports

Reports configured with trend analysis
Exportable to MS Word, MS Excel, CSV and PDF formats
RFID, What & Why
Speed / Accuracy / Precision
What is RFID?

• **Radio Frequency Identification**
  - A technology that identifies objects using low-power radio frequency technology.

• **RFID Solutions consist of three components:**
  - Hardware (Reader and Antenna)
  - RFID Tag
  - Software
How Passive RFID Works

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Why RFID?

• Read Range – 10+ Feet
• No line of sight
• Speed 8 to 10 times faster than bar-code
  • Improved Accuracy
  • Faster compliance
  • Search and find feature
Integration
Application Programming Interface

• The API supports data transfer FROM third party vendor (TPV) applications to METRC
• Not all aspects of Metrc are available in the API
• The API supports data transfer TO TPV from METRC
• CA POS / API Integration training will begin on January 24th.
Support Resources

California Licensing Authorities

- California Department of Food and Agriculture (CDFA): calcannabis.cdfa.ca.gov
  - Cultivator licenses
- Bureau of Cannabis Control (BCC): www.bcc.ca.gov
  - Distributor, Retailer, Testing Laboratory and Microbusiness licenses
- California Department of Public Health (CDPH): www.cdph.ca.gov/mcsb
  - Manufacturing licenses

Support Tab

- Metrc Manual/User Guide
- State Supplemental Guide
- Training
- Interactive Support
- E-mail
  - Support@metrc.com
  - Metrc support line - 877-566-6506
Contact Information

Support Desk
877-566-6506
Support@metrc.com

www.metrc.com/california