

CDX ANALYTICS, LLC
(ILN281275)

BACKGROUND & APPLICATION OF INTENT REVIEW

1. Name of the Marijuana Establishment and its application number:

CDX Analytics, LLC (ILN281275)

2. Address of the Marijuana Establishment:

39 Norman Street, Salem, MA 01970

3. Type of license sought (if cultivation, its tier level and outside/inside operation):

Independent Testing Laboratory

4. Applicant is a licensee or applicant for other Marijuana Establishment license(s):

The applicant is not a licensee or applicant for any other Marijuana Establishment license.

5. List of all required individuals and their business roles in the Marijuana Establishment:

Brian Strasnick—Owner/Partner
Eamon Travers—Manager
Brianna Cassidy—Manager

6. List of all required entities and their roles in the Marijuana Establishment:

There are no entities, other than the applicant, that appear to have direct or indirect authority over the Marijuana Establishment.

7. Priority status of applicant:

Pursuant to the Commission vote on June 26, 2018, the applicant was prioritized because it submitted a full Independent Testing Laboratory application prior to the Commission deadline of August 1, 2018.

8. Location and status of business if it is an RMD:

The applicant is registered as an Independent Testing Laboratory with the Department of Public Health (DPH).
The applicant will conduct laboratory testing of medical and adult-use marijuana at the Salem location.

9. Information regarding host community agreement certification:

The Host Community Agreement was executed on July 3, 2018; certification provided.

10. Information regarding community outreach meeting:

The community outreach meeting was held on June 29, 2018.
Notice was published at least seven days prior in the Salem News.
The applicant certified notice to the municipality and abutters.
The applicant certified compliance with the community outreach meeting requirements.

11. Any objections regarding compliance with local ordinances and bylaws presented by the municipality:

No objections were communicated to the Commission. The Commission received a response from the municipality on July 30, 2018, stating that the applicant was in compliance with all local ordinances and bylaws.

12. Summary of plan to positively impact areas of disproportionate impact:

The applicant plans to continue its long history of philanthropic activities in the City of Lynn by donating to Project Cope and Girls, Inc. The applicant will also continue to aid the Lynn Community Health facility which supports local sober living projects.

SUITABILITY REVIEW

13. Concerns arising from background checks on individuals associated with the application:

No concerns currently exist.

14. Concerns arising from background checks on entities associated with the application:

No concerns.

15. Applicant's disclosure of any past civil or criminal actions:

No disclosures.

16. Applicant's disclosure of any occupational license issues:

No disclosures.

17. Applicant's disclosure of any business interests in other jurisdictions:

No disclosures.

18. Status of applicant's compliance with the Department of Revenue and Secretary of the Commonwealth:

May 24, 2018 | Certificate of Good Standing, Secretary of the Commonwealth
May 30, 2018 | Certificate of Good Standing, Department of Revenue
(Letter ID: L1867977856)

MANAGEMENT AND OPERATIONS REVIEW

19. Applicant's proposed timeline to become operational in the adult-use market:

The applicant currently tests marijuana and marijuana products for RMDs in accordance with DPH protocols. The applicant states it is capable of handling additional volumes of testing samples for the adult-use market once a final license is issued.

20. Applicant's proposed hours of operation:

Monday-Friday: 8:00 a.m. to 5:30 p.m.

21. Applicant's compliance with submitting summaries of the following plans, policies and procedures:

- a. Security Plan
- b. Prevention of Diversion Plan
- c. Storage of Marijuana Plan
- d. Transportation Plan
- e. Inventory Procedures
- f. Quality Control and Testing Procedures
- g. Personnel Procedures
- h. Dispensing Procedures
- i. Record-Keeping Procedures
- j. Maintenance of Financial Records Policy
- k. Diversity Plan

The applicant is fully compliant with submitting all summaries. All summaries were determined to be substantially compliant with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable. Full compliance will be reviewed during inspections and will be required before a final license is issued.

22. Summary of diversity plan:

The applicant is committed to recruiting and hiring a diverse group of employees while promoting equity among all individuals. To achieve this, the applicant will participate in job fairs, engage with community groups for recruitment, and encourage diverse networks.

The applicant will conduct continuous and regular evaluations to ensure its goals are being achieved.

23. Summary of cultivation plan (if applicable):

Not applicable.

24. Summary of products to be produced and/or sold (if applicable):

Not applicable.

25. Plan for obtaining marijuana or marijuana products (if applicable):

Not applicable.

26. ISO 17025 Certifying Body and Certificate Number (if applicable):

Perry Johnson Laboratory Accreditation, Inc.
(ISO/IEC 17025:2005 Certificate No. L17-474)

RECOMMENDATION

Commission staff recommend issuing a provisional license with the following conditions:

- (1) Final license is subject to the applicant obtaining certification as an ISO/IEC 17025:2017 accredited laboratory;
- (2) Final license is subject to certification that applicant remains in compliance with DPH regulations, 105 CMR 725.000;
- (3) Final license is subject to inspection and audit to ascertain compliance with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable;
- (4) Final license is subject to inspection and audit to ascertain that its facilities are compliant with all applicable state and local codes, bylaws, ordinances, and regulations;
- (5) The applicant shall cooperate with and provide information to Commission investigators, agents, and employees upon request; and
- (6) Provisional license subject to the payment of the appropriate license fee pursuant to 935 CMR 500.005.

This recommendation was based on the applicant's demonstrated compliance with the laws and regulations of the Commonwealth, suitability for licensure, and upon the evaluation of the thoroughness of the applicant's responses to the required criteria.

Commission staff certify that a due diligence review of the application was performed. As of this date, the applicant has demonstrated compliance with the laws and regulations of the Commonwealth and suitability for licensure. Accordingly, the applicant is recommended for provisional licensure with the previously mentioned conditions.