Washington State
Liquor and Cannabis Board

Survey Findings

Cannabis Traceability Project – Cannabis Industry Feedback

February 2025

LCB Research Program

The Research Program at the Washington State Liquor and Cannabis Board (LCB) is a non-partisan, transparent resource focused on public health and safety outcomes related to the products, policy, and regulation of alcohol, cannabis, tobacco, and vapor products.

Purpose

This survey gathered feedback from cannabis industry members on the current Cannabis Central Reporting System (CCRS) to help inform future directions for developing requirements for a cannabis traceability system.

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For questions, please email the Research Program at lcbresearch@lcb.wa.gov.

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Key Takeaways

This survey gathered feedback from cannabis industry members across producer, processor, retail, and transporter industries, as well as certified testing laboratories, regarding the existing cannabis reporting system (Cannabis Central Reporting System [CCRS]) to inform future directions for the ongoing traceability project. There were 244 valid survey responses.

About the Survey Respondents. Respondents were most commonly associated with combined producer and processors (42%), followed by retail businesses (36%). Most were owners or licensees (45%), followed by managers (34%).

General Feedback. Only 20% of respondents said that CCRS is 'very effective' at meeting their needs. Over half said they have concerns and/or challenges with CCRS (59%) and that they would like to see a new system with different features or changes (56%).

User Interface Features. The most highly rated user interface features were 'ease of navigation' (82%), 'long-term functionality' (68%), 'API functionality' (65%), and 'real-time data' (63%). Roughly half of respondents (49%) said 'real-time tracking of each cannabis plant' is at least moderately important. The most useful resource for understanding traceability requirements was the 'ability to live chat with a technical expert' (46% said 'very helpful').

Integrator Services. A majority of respondents (73%) reported currently using an integrator service. However, less than half (47%) said their service provider offers all the functional requirements their business needs or wants.

Producer Feedback. Of the 113 respondents associated with cannabis production, over three-quarters (84%) said they had grown cannabis in the past year. The most common license tier size was tier 2 (4,000 to 10,000 sq ft) (42%), which is similar to the proportion of tier 2 licenses in the state (45%). On average, respondents who had grown cannabis in the past year reported using 71% of their canopy. In general, larger tiers reported using a greater portion of their canopy than lower tiers. The most common propagation materials were clones (88%) and seeds (63%). Over half of respondents associated with producers said that humidity (73%) and water usage (67%) are at least moderately important to track during the growth cycle of plants. Finally, the most important harvest material to track was the dry weight of harvested flower (89%), followed by flower lot (72%).

Processor Feedback. Of the 124 respondents associated with cannabis processing, about one-third reported extracting terpenes in-house (34%) and 41% said they add terpenes to products for flavoring. Of those that reported adding terpenes, most said they use cannabis-derived terpenes (91%) and about three-quarters use non-cannabis botanical terpenes (74%). The product most commonly flavored with terpenes was concentrates (86% of those who use terpenes said they add flavor to concentrates). Over half said it is important to track cannabis mix (65%) and terpenes (56%). Finally, when asked how accurately the product types in CCRS describe the products they sell, 53% said 'poor' or 'average' while 47% said 'good' or 'excellent.'

Retail Feedback. Of the 89 respondents associated with retail, nearly all reported that their location(s) currently sell solid edibles (97%), usable cannabis (flower) (95%), liquid edibles (95%), concentrates for inhalation (94%), topical ointment (92%), and tinctures (91%). Over half (60%) said it is at least moderately important to have easy access to testing results for the products they sell.

Transporter Feedback. Of the four respondents associated with transporters, responses generally indicated that a manifest is not always provided prior to pick up and that the manifest is not always correct when they arrive for pick up.

Testing Laboratory Feedback. Of the 20 respondents associated with testing laboratories, a majority (80%) reported that they upload data to CCRS. Over half (55%) believe that heavy metals testing should be required for all cannabis products and 42% said their lab currently has the capability to test for heavy metals. Of those that do not, about a third (37%) said they plan to add that capability in the next year.

Summary. This survey elicited an array of feedback with opinions ranging from keeping CCRS long-term, modifying it, or switching to a new system entirely. There were also notable differences between those representing the retail and producer and/or processor industries. Continued outreach would be helpful for understanding how changing the current system or switching to a new one would affect cannabis businesses.

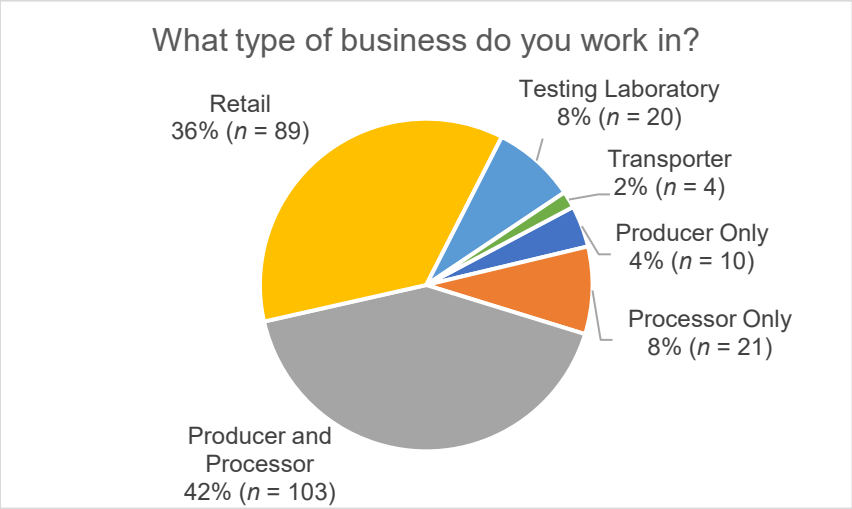
Background

This survey sought feedback from those working within cannabis producer, processor, retail, and transporter industries, as well as certified testing laboratories, about the current cannabis reporting system, Cannabis Central Reporting System (CCRS), to inform future directions for developing requirements for a cannabis traceability system. There was a set of general questions asked of all respondents as well as specific questions tailored to each of the specific business types. Respondents were recruited via GovDelivery email lists and face-to-face engagement by cannabis consultants and Community Engagement Specialist Dustin Brown from July 19 to December 31, 2024.

Respondents and Demographics

Respondents. There were initially 388 total responses. However, 144 responses were excluded for not answering any questions beyond license type. This left a total of 244 valid responses. There were four Tribal and 240 non-Tribal respondents. Since Tribes can have vertical integration (e.g., both produce cannabis and sell it at a retail establishment), there were seven different privilege types associated with the four respondents. The most common business type among all respondents was combined producer and processors (42%), followed by retail (36%). **Figure 1** shows the distribution of these businesses.

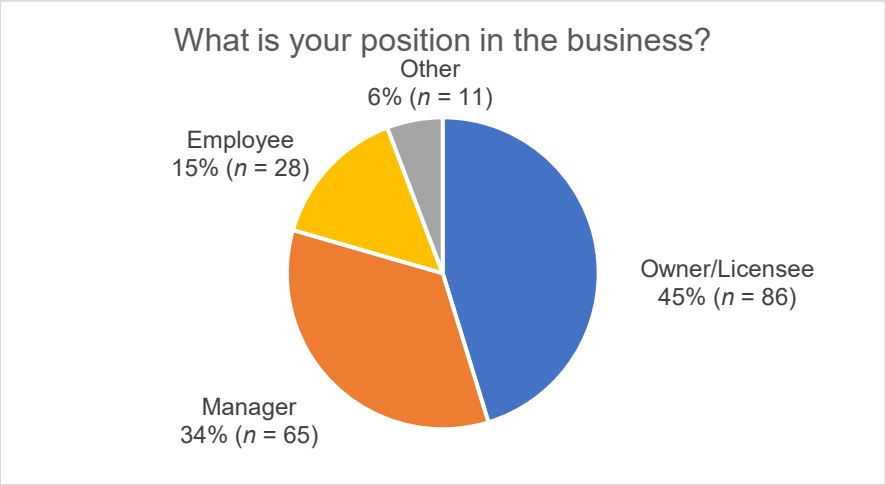
Figure 1. Respondents by business type.



Note: Totals are greater than the total number of respondents because Tribes can have vertical integration.

Position. A large proportion of respondents were owners/licensees (45%) followed by managers (34%) (**Figure 2**). Those who were in a position that was not listed reported being manager and part-owner, compliance, operations manager, or intending to open a company in 2025. There were some differences in the makeup of respondents by business type. Specifically, among those affiliated with producer/processors, the majority (60%) were license holders. However, among those affiliated with a retail, about half (49%) were managers and only about a quarter (28%) were license holders.

Figure 2. Position in business.



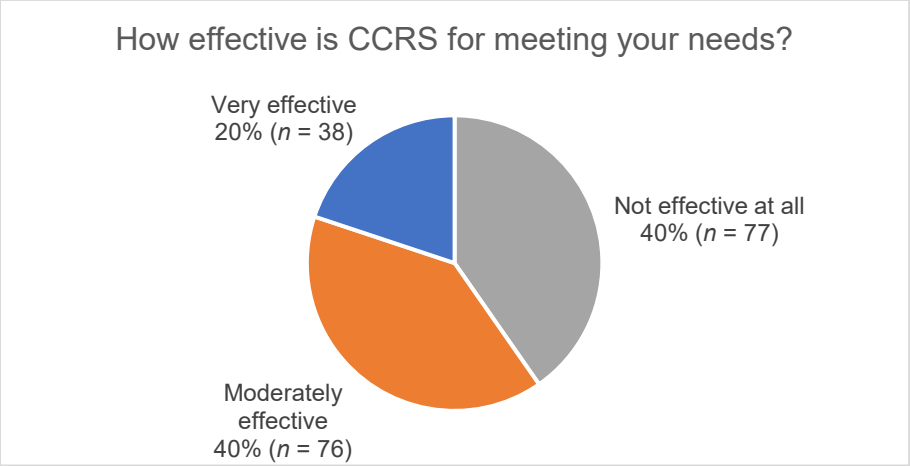
CCRS Feedback

Across all respondents, only 20% said that CCRS is 'very effective' for meeting their needs (**Figure 3A**).

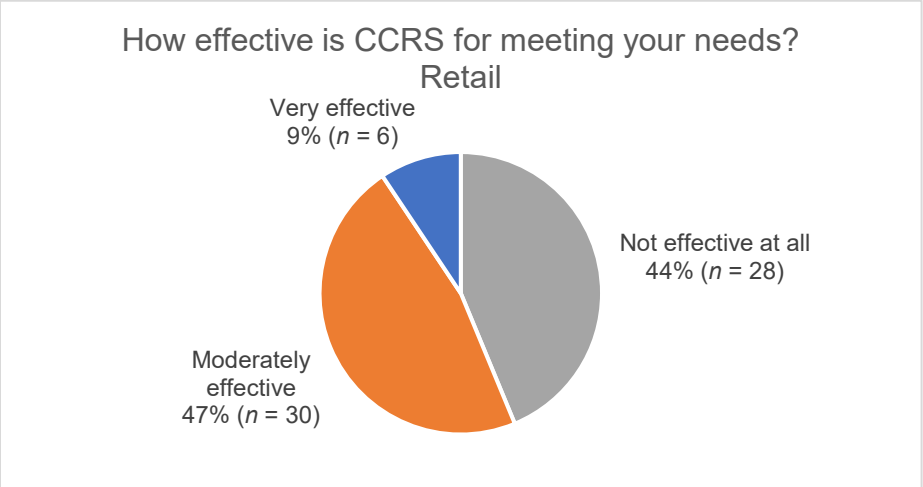
When examining differences across business types, those associated with a producer and/or processors were more likely to say that CCRS is 'very effective' (29%) compared to those associated with retail (9%) (**Figures 3B-C**). Two-thirds of those working in a testing laboratory said CCRS is 'not effective at all' (67%), and none said CCRS was 'very effective' (**Figure 3D**).

Figure 3. Perceived effectiveness of CCRS for meeting needs among all respondents (A) and for retail (B), producer/processor (C), and testing laboratory (D) respondents.

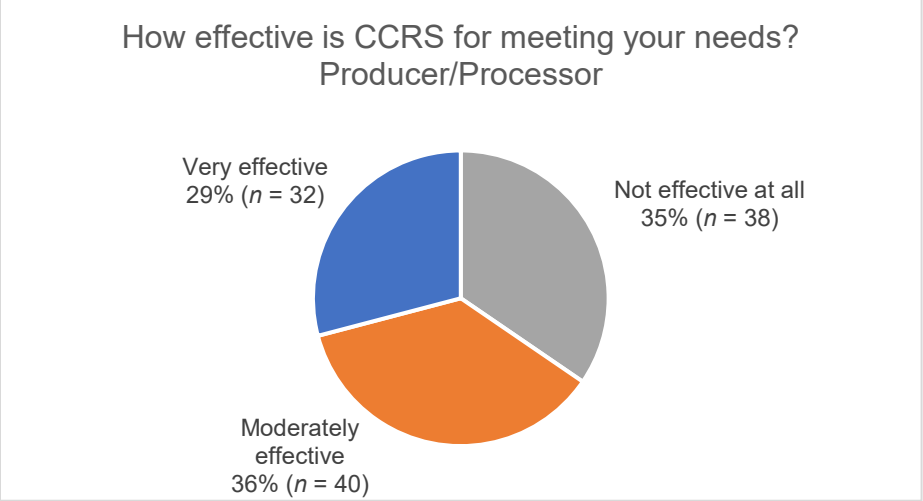
A) All respondents.



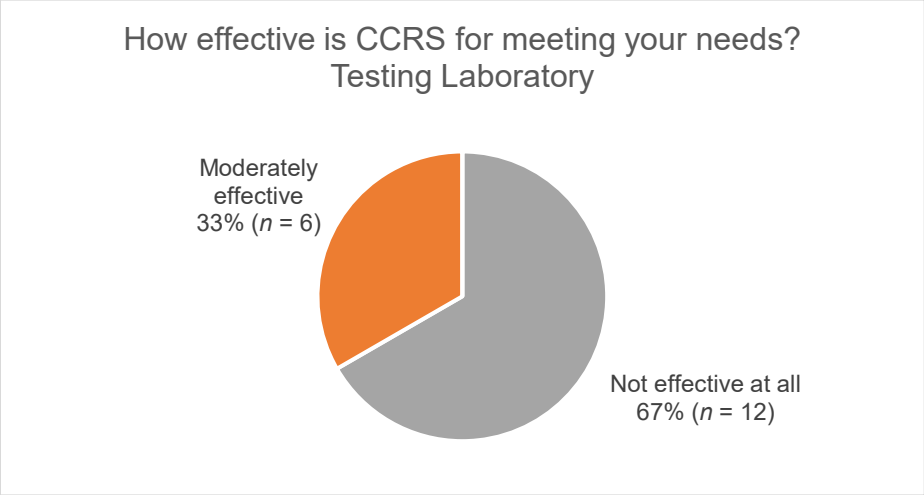
B) Retail respondents.



C) Producer and/or processor respondents.



D) Testing laboratory respondents.

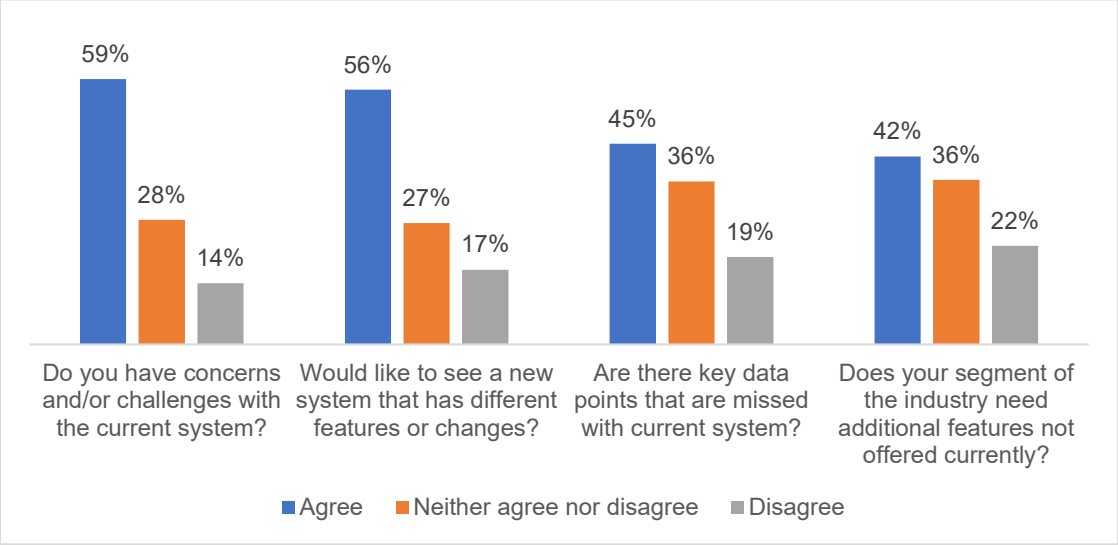


Over half (59%) of all respondents said they have concerns and/or challenges with the current system. The majority (56%) also indicated they would like to see a new system. Similarly, 45% said that there are key data points being missed with the current system; 42% said that their segment of the industry needs additional features that are not currently offered (**Figure 4A**).

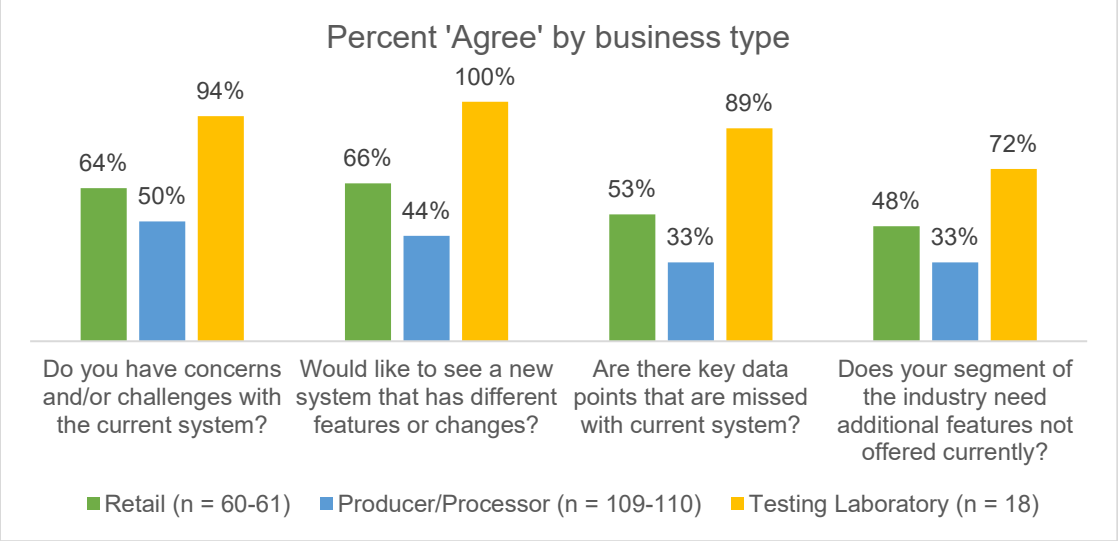
The most notable differences between business types were that more respondents associated with a retail store (66%) or testing laboratory (100%) wanted to see a new system with different features than producers and/or processors (44%) (**Figure 4B**).

Figure 4. General CCRS feedback overall (A) and comparing retail, producer/processor, and testing laboratory respondents (B).

A) All respondents.



B) Comparing retail, producer/processor, and testing laboratory.



Important User Interface Features. In terms of user interface (UI) features, over half of respondents said that ease of navigation (82%), long-term functionality (68%), Application Programming Interface (API) functionality (65%), real-time data (63%), and UI for licensees (57%) are 'essential' for a reporting or traceability system (**Figure 5A**).

When examining differences among business types, those associated with retail were more likely than producers and/or processors to endorse UI features as being 'essential.' For example, 61% of respondents related to retail said that 'custom alerts for specific data' were 'essential' compared with only 27% of respondents related to producer/processors.

There were only two UI features that producers/processors were more likely to endorse as 'essential': 'ease of navigation' (85% for producers/processors vs 82% for retail) and 'mobile functionality' (48% for producer/processor vs 41% for retail) (**Figure 5B**).

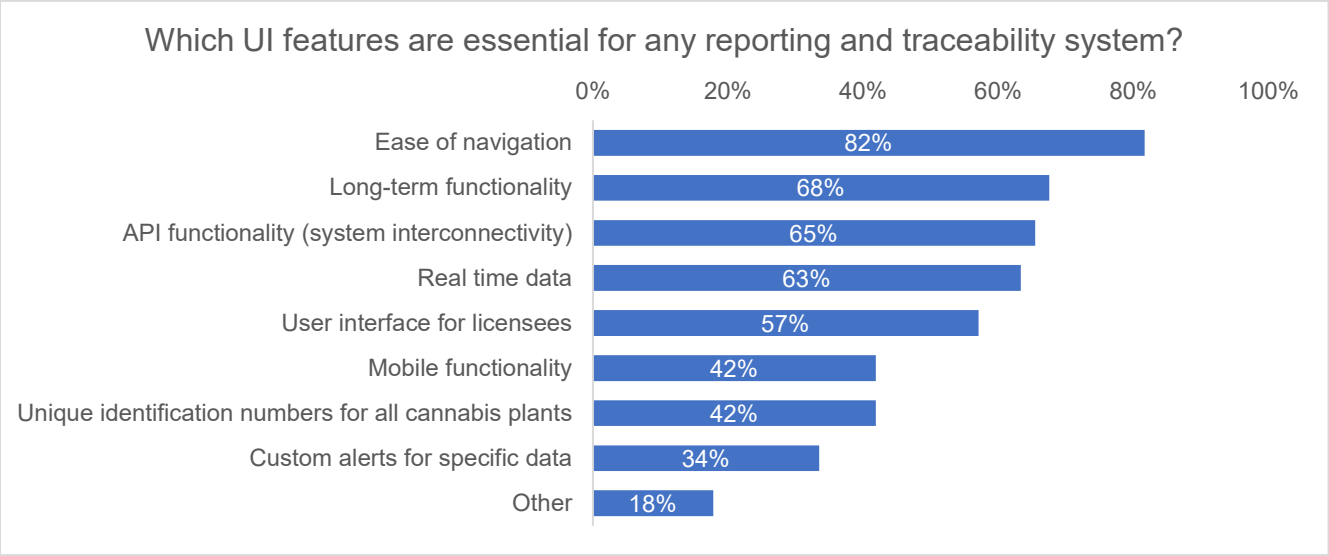
Of the 34 respondents who said that other features that were not listed are essential, common responses included:

- Easier access to the full testing history of a product;
- Simplicity/ease of use;
- Full seed-to-sale/life cycle tracking of plants from intermediate to end product;
- Less wait time to create manifest; and
- Open source/public availability of data to enhance accountability.

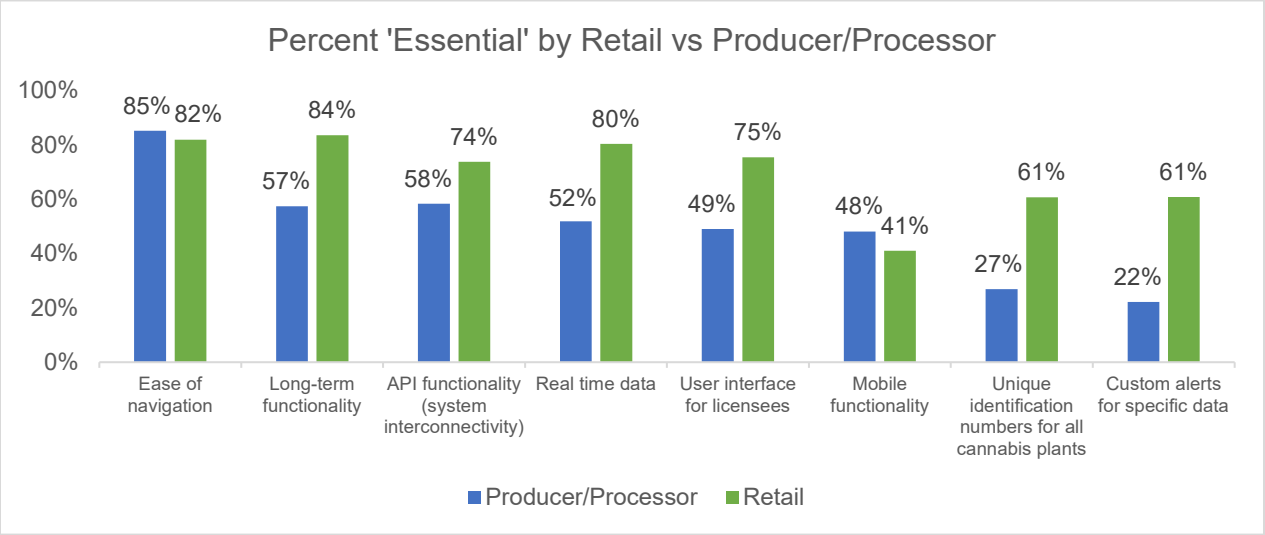
Other suggestions included the ability to fix past entries, third-party integration, allowing producers to track product sales at the retail level, and transportation updates. Finally, some participants said that nothing should be changed from the current system.

Figure 5. Essential UI features in the overall sample (A) and comparing retail to producer/processor (B).

A) All respondents.

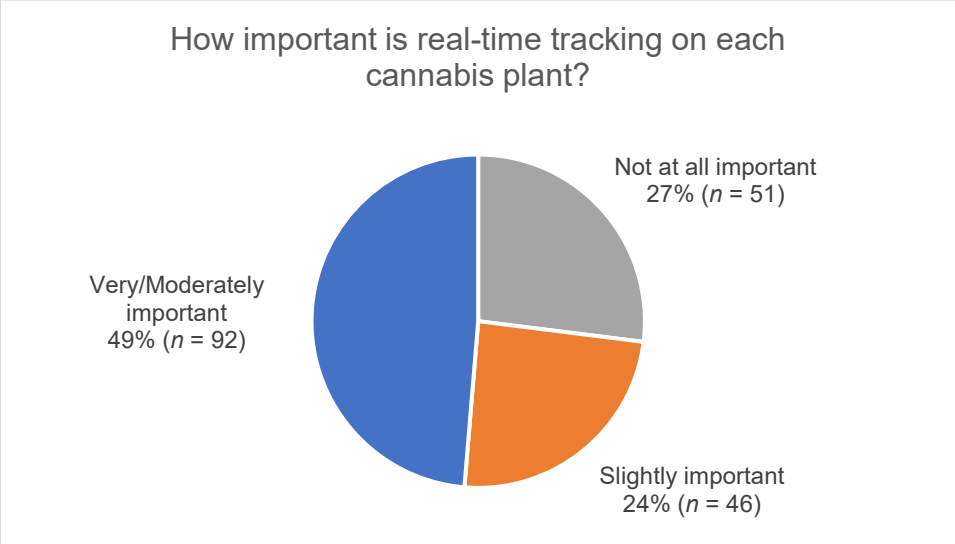


B) Comparing retail and producer/processor.



Nearly half of all respondents (49%) said it is at least moderately important to have real-time tracking on each cannabis product (**Figure 6**). Those associated with retail businesses were more likely to say that real-time tracking is at least moderately important (59%) compared to producer/processors (42%).

Figure 6. Importance of real-time tracking on each cannabis plant.



Helpful Resources. The most helpful resource for understanding traceability requirements was the ability to live chat with a technical expert (46% said 'very helpful'), while the least helpful resource was having more languages available for resources (10% said 'very helpful') (**Figure 7**).

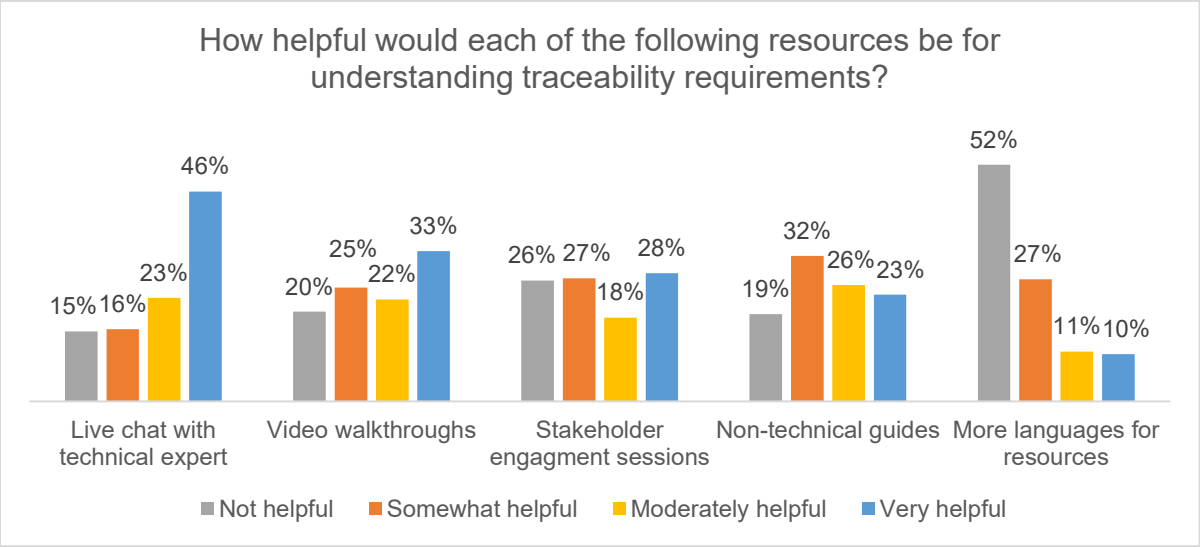
When examining differences by business type, more respondents from retail businesses (39%) said it would be helpful to have non-technical guides relative to producer/processors (15%). More respondents from retail businesses (56%) also thought it would be helpful to live chat with technical experts compared to producer/processors (42%).

Open response suggestions included:

- Enabling better communication between producers and retailers;
- Cohesive technical guides;
- A communication channel for integrators and licensees to collaborate; and
- Open-source data.

Two respondents also suggested changing as little as possible or not switching to a new traceability system.

Figure 7. Resources for understanding traceability requirements.



Integrator Services. Most respondents (73%) said their business currently uses an integrator service (**Figure 8**), although just under half (47%) said their integrator service provider offers all the functional requirements their business needs or wants (**Figure 9**).

While a similar percentage of those associated with retail and producer/processors reported using an integrator, those associated with producer/processors were more likely to say the integrator is meeting their needs (60%) compared to retailers (23%).

Open response answers indicated other potential functionalities an integrator could offer include:

- Better metrics and reports;
- Easier returns and manifest creation;
- Integration with CCRS;
- API access/integration; and
- Automatic report and form generation.

Figure 8. Use of integrator services.

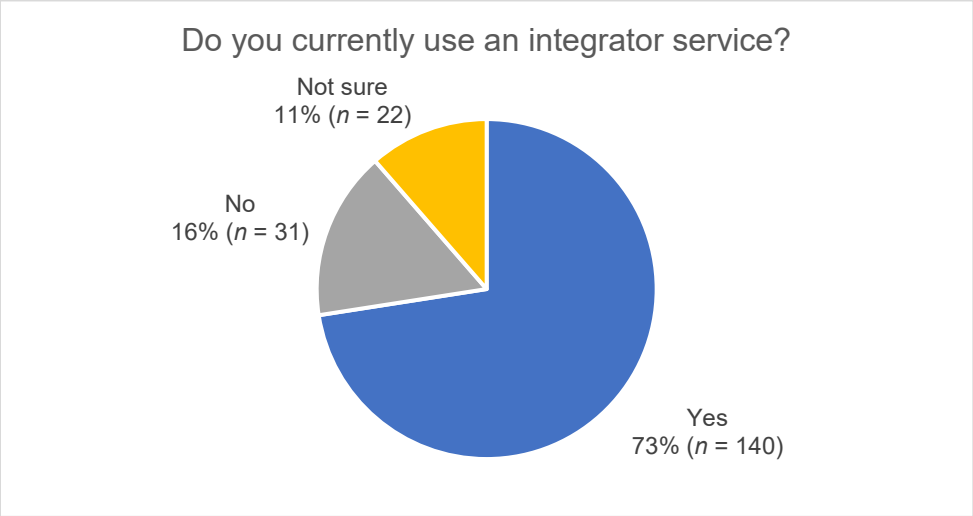
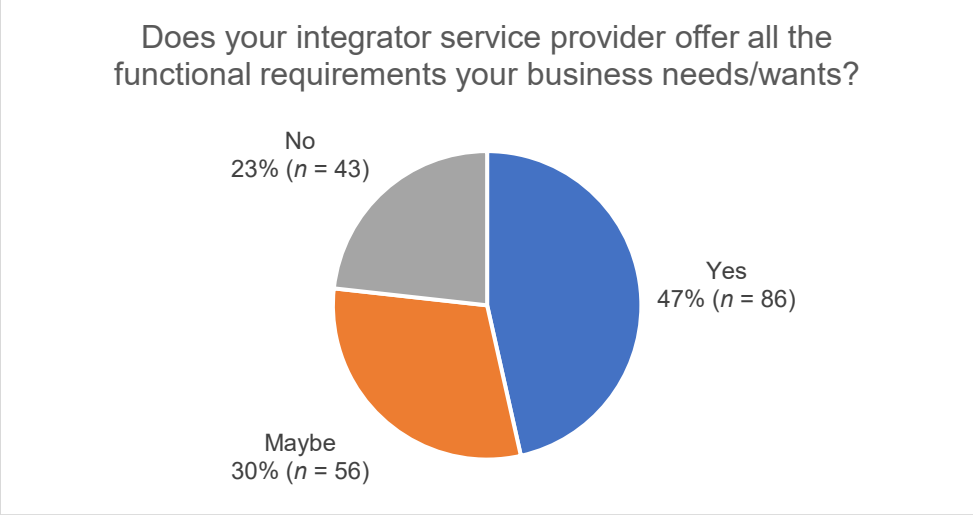


Figure 9. Integrator service functionality meets business needs.



Producer

Over three-quarters of respondents associated with a producer business (84%) reported they had grown cannabis in the past year. The most common producer license tier represented in the survey was tier 2 (42%) (**Figures 10-11**). This is similar to the breakdown of current producer license tiers in the state in 2024 (**Figure 12**).

Figure 10. Producers who grew cannabis in past year.

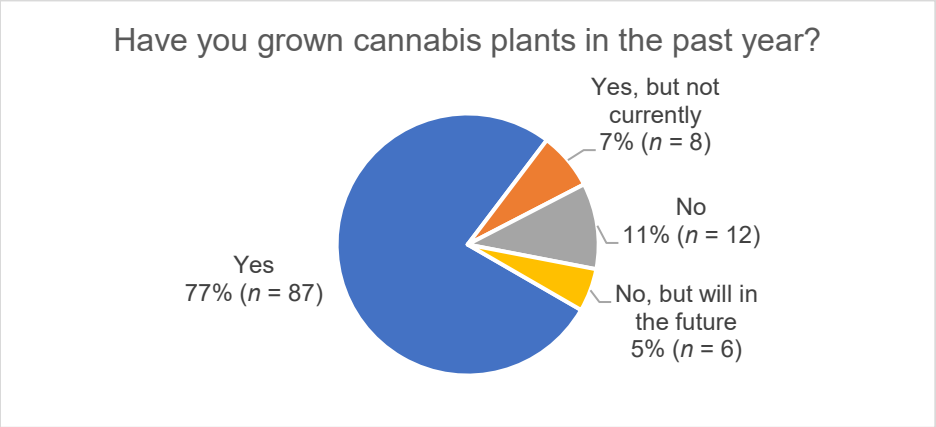


Figure 11. Cannabis producers by license tier.

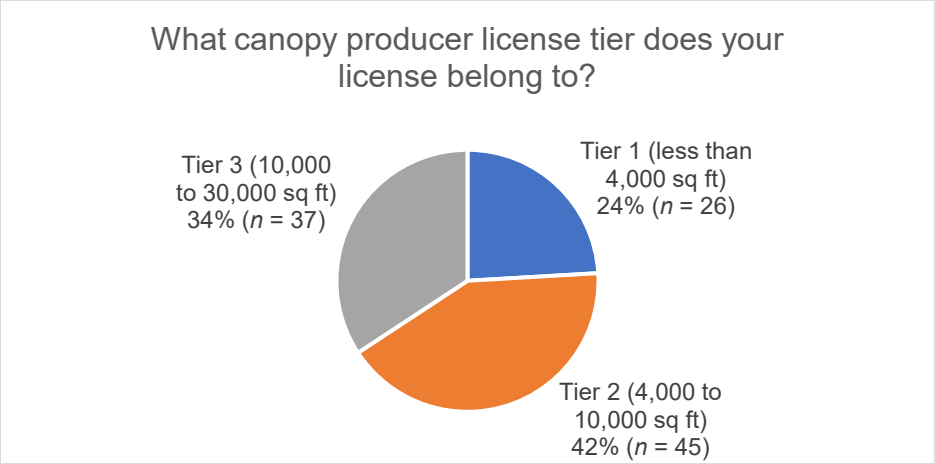
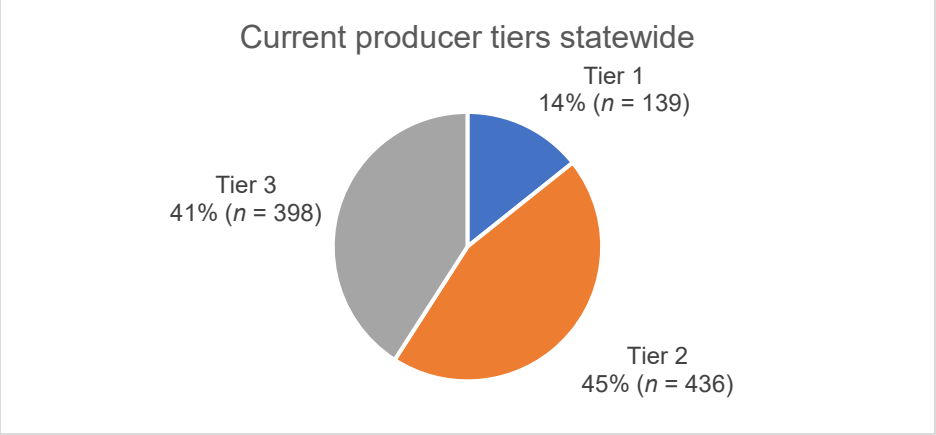
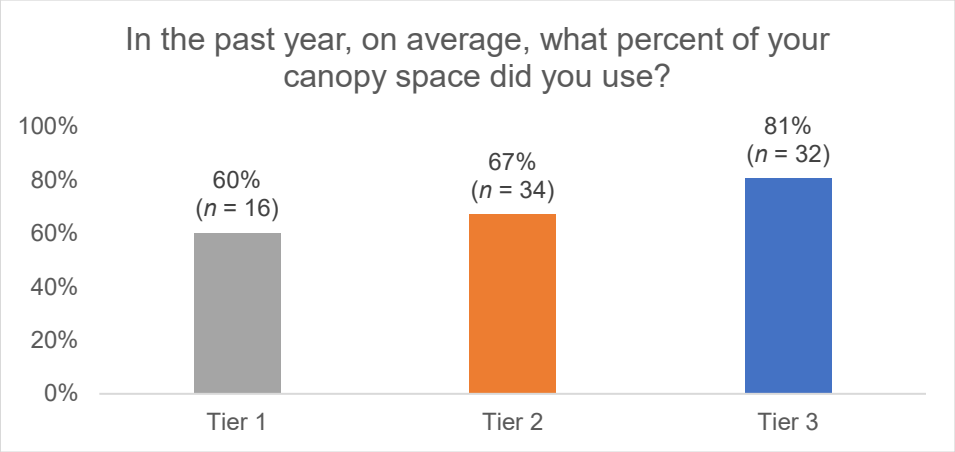


Figure 12. Current cannabis producers by tier in Washington State.



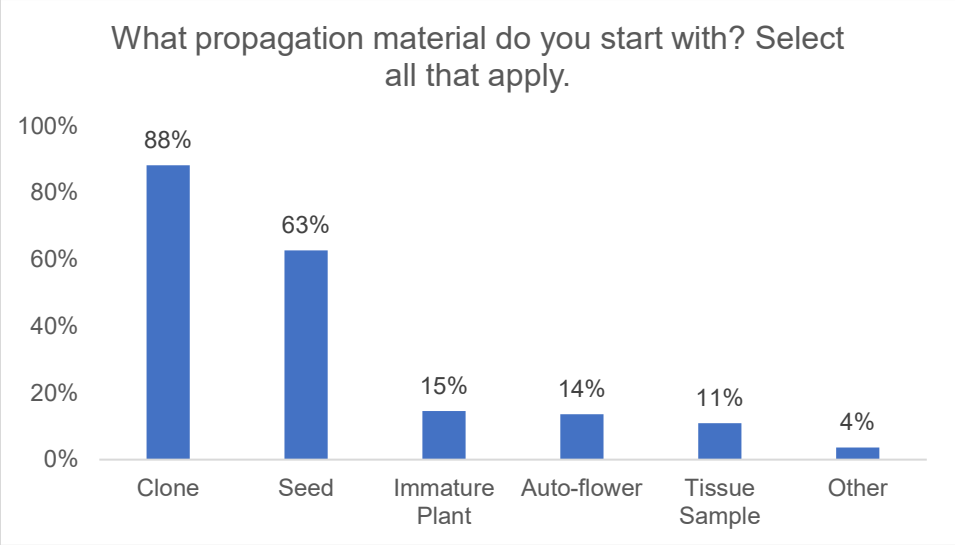
The overall average percentage of canopy space that was used by producers who had grown cannabis in the past year was 71%. This was highest for tier 3 producers (81%) and lowest for tier 1 producers (60%) (**Figure 13**).

Figure 13. Percent canopy used by producer tier among producers.



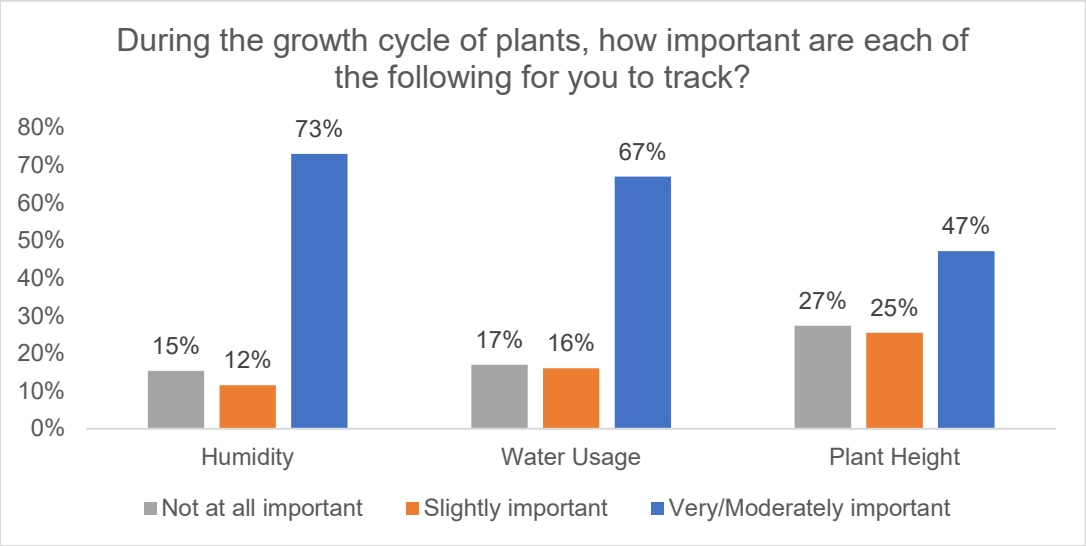
The most common propagation material used was clones (88%), followed by seeds (63%) (**Figure 14**). One respondent said they used a propagation material that was not listed, which was 'cutting.'

Figure 14. Propagation material use among producers.



Over half of respondents associated with cannabis production said it is at least moderately important to track humidity (73%) and water usage (67%) (**Figure 15**). Respondents who wrote in other metrics indicated that temperature, pests/insect pressure, bud development, genetics, yield, and CO_2 concentration are also important to track.

Figure 15. Growth cycle tracking among producers.

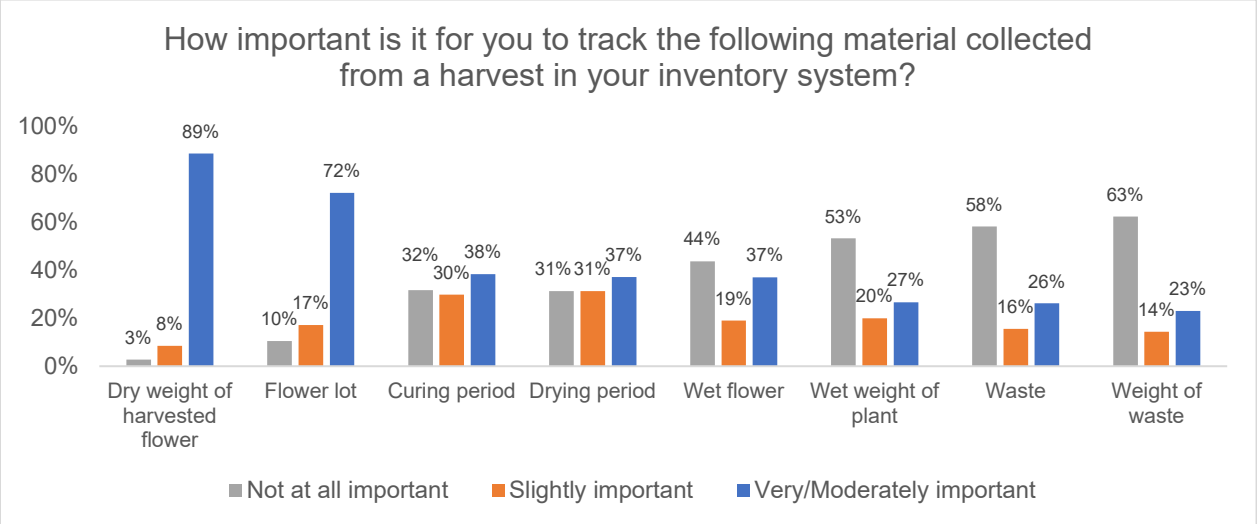


Respondents associated with production were asked how important it is to track various materials collected from a harvest in their inventory system (**Figure 16**). The vast majority said that the dry weight of the harvested flower (89%) and the flower lot (72%) are at least moderately important to track.

Respondents were also asked if they track any other data points that were not listed. Common responses included:

- Sales (e.g., by strain or weight);
- Moisture content;
- Weight of trim;
- Grouping of plants by cell/room/row (e.g., plants that receive the same treatment); and
- Strain.

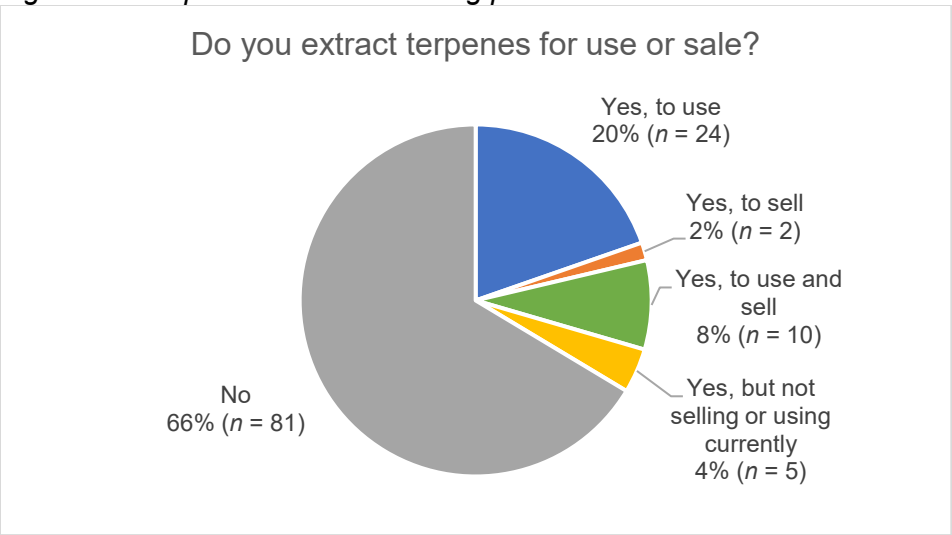
Figure 16. Perceived importance of tracking harvest materials among producers.



Processor

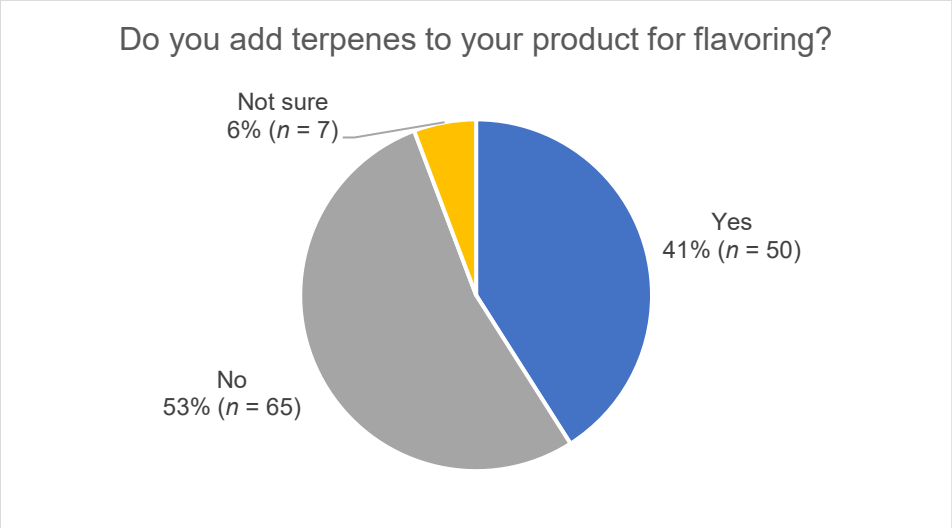
Among respondents associated with processing, about one-third (30%) extract terpenes for either use or sale (**Figures 17**).

Figure 17. Terpene extraction among processors.



Under half (41%) of respondents said they add terpenes to products for flavoring (**Figure 18**).

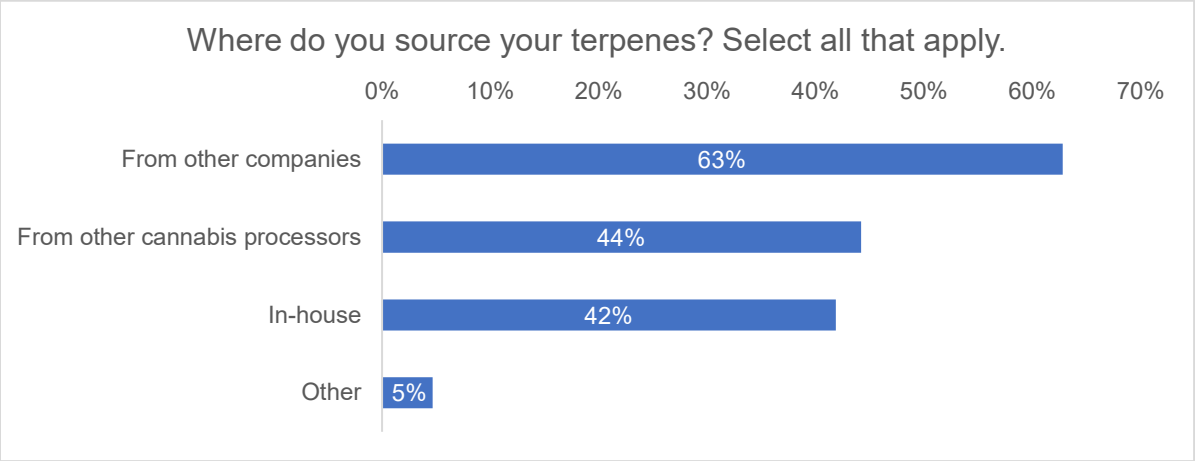
Figure 18. Processors who added terpenes for flavoring.



Of those who reported adding terpenes to products for flavoring, a majority (63%) reported sourcing their terpenes from other companies, while just under half purchase them from other cannabis processors (44%) or synthesize terpenes from cannabis in-house (42%) (**Figure 19**).

Of the respondents who selected 'other' for their source, one wrote to clarify that they extract their terpenes in-house, not synthesize them, while the other said that terpenes are a 'byproduct of separation after extraction from biomass.'

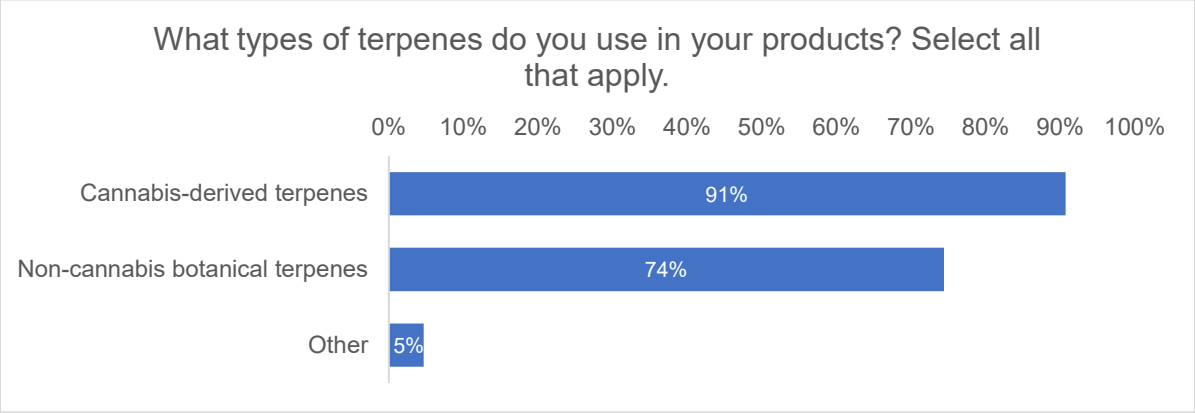
Figure 19. Terpene sources among processors.



Most that add terpenes said they use cannabis-derived terpenes (91%), and about three-quarters (74%) said they use botanical terpenes from non-cannabis sources (**Figure 20**).

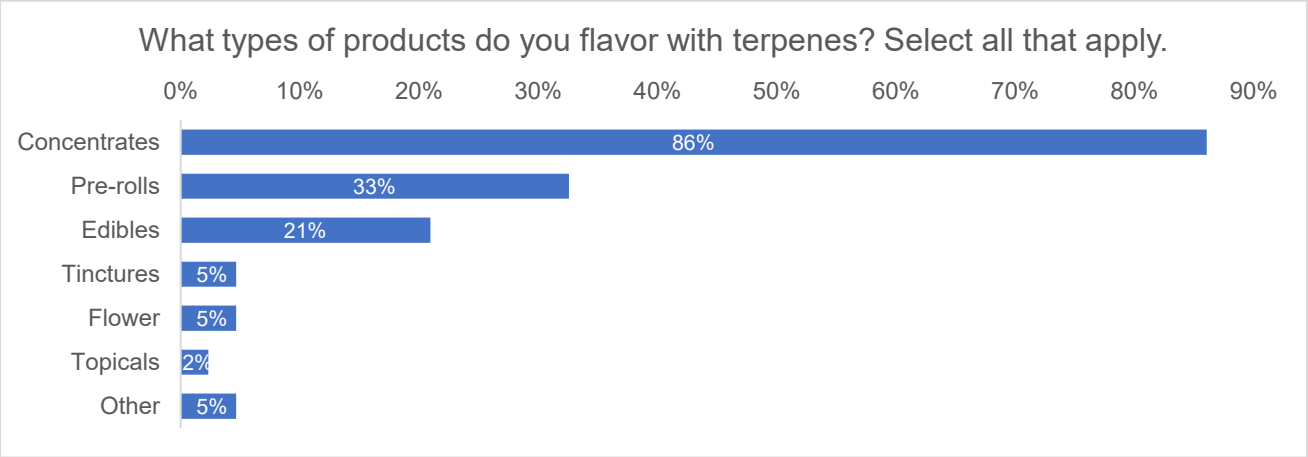
Of the respondents who reported using other types of terpenes, one indicated that they use 'outsourced product' and the other uses 'thiols and esters.'

Figure 20. Types of terpenes used in products among processors.



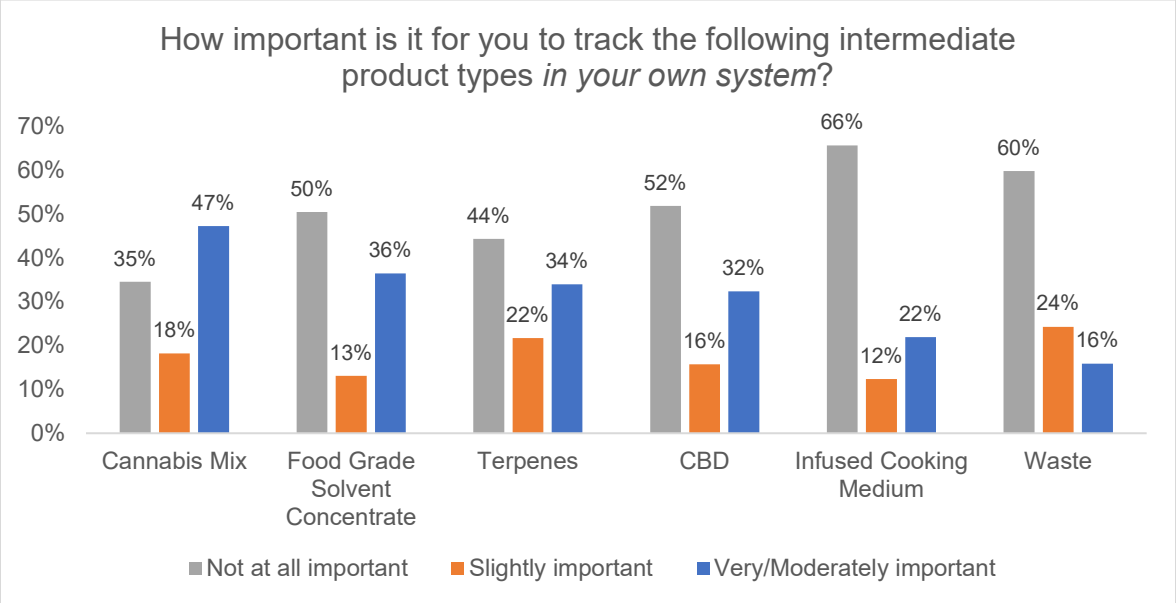
Among respondents who said they add terpenes, about 44% of their products are flavored with added terpenes, on average. These terpenes are mostly used to flavor concentrates (86% indicated using for these products) although some also use terpenes in pre-rolls (33%), and edibles (21%) (**Figure 21**). Others reported adding terpenes to 'distillate vape carts' and 'vape pen liquid.'

Figure 21. Types of products with added terpenes among processors.



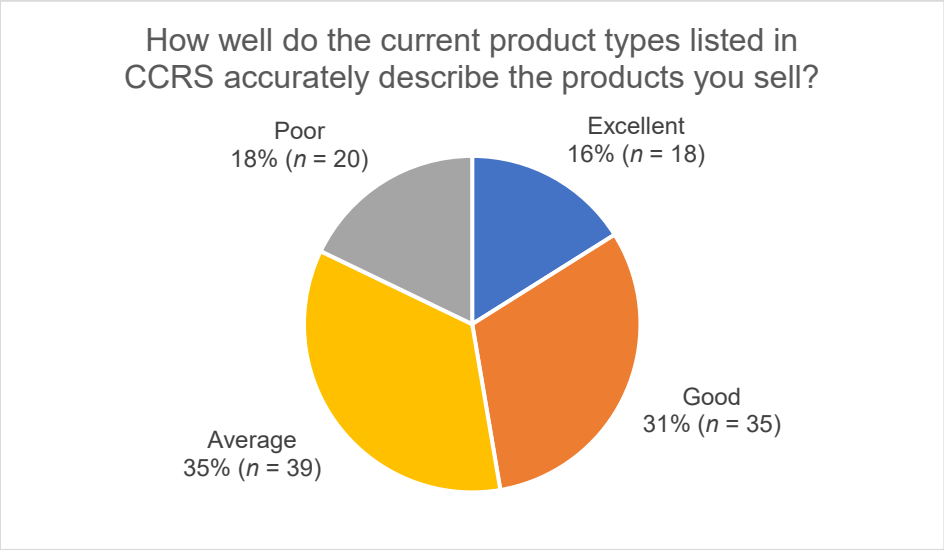
When asked about tracking intermediate product types in their own system, the only intermediate product types that a majority considered important to track were cannabis mix (65%) and terpenes (56%) (**Figure 22**). Of respondents who indicated there were other intermediate product types that are important to track, 'food ingredients,' 'root material (by weight),' and 'CBG' were also suggested.

Figure 22. Perceived usefulness of tracking intermediate product types among processors.



Processors were divided on how accurately CCRS describes the products they sell, with 18% saying 'poor' and 16% saying 'excellent' (**Figure 23**).

Figure 23. Perceived accuracy of CCRS product types among processors.



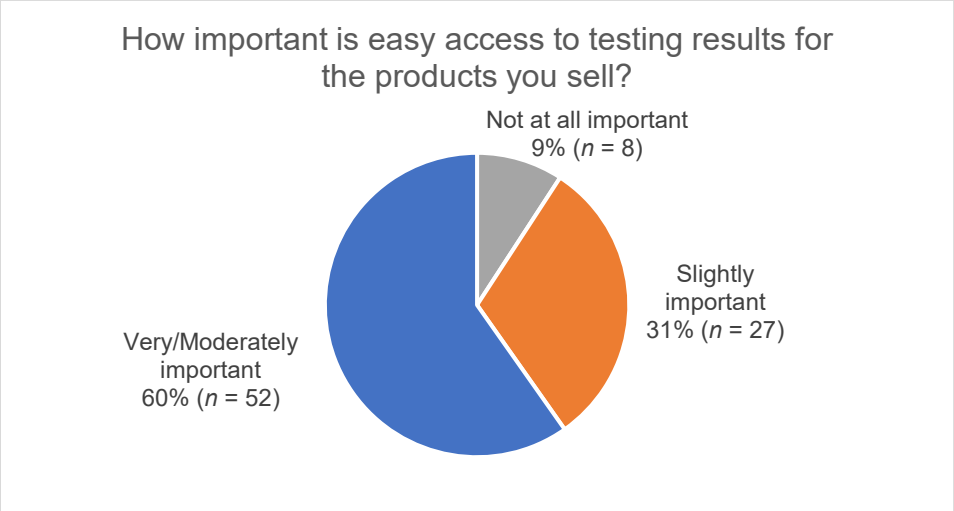
Retail

Nearly all respondents associated with retail businesses reported that their location(s) currently sells solid edibles (97%), usable cannabis (flower) (95%), liquid edibles (95%), concentrates for inhalation (94%), topical ointment (92%), and tinctures (91%) (**Figure 24**). 'Capsules,' 'cartridges,' and 'CBD' were written-in as additional products sold in the 'other' section.

Figure 24. Products sold by retailers.

Over half (60%) said it is at least moderately important to have easy access to a Certificate of Analysis for the products they sell (**Figure 25**).

Figure 25. Perceived importance of easy access to Certificate of Analysis among retailers.



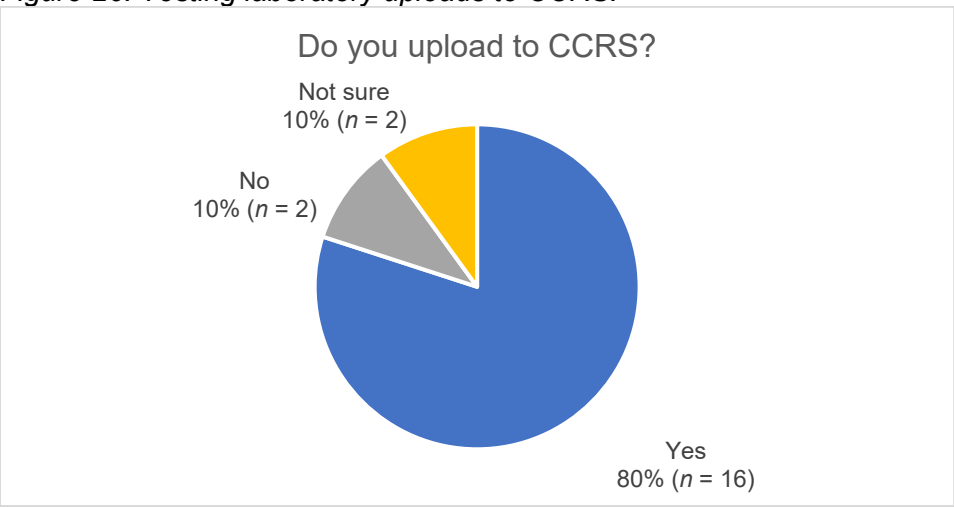
Transporter

There were limited responses from those associated with transporters, with only four respondents. In general, responses indicated that manifests are not always provided prior to pick up and that manifests are not always accurate when they arrive for pick up. Surveying a larger sample of transporters would be helpful in determining if these findings are representative of all transporters.

Testing Laboratory

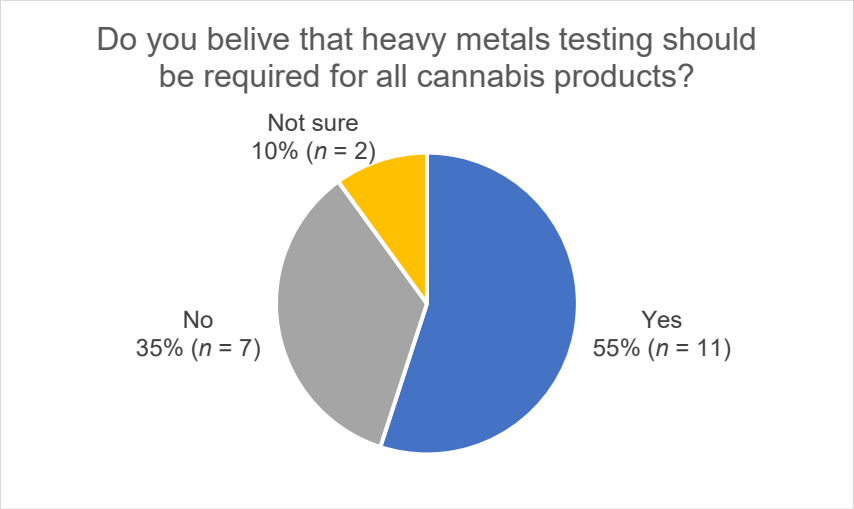
Among testing laboratory respondents, 80% said they upload data to CCRS (**Figure 26**).

Figure 26. Testing laboratory uploads to CCRS.



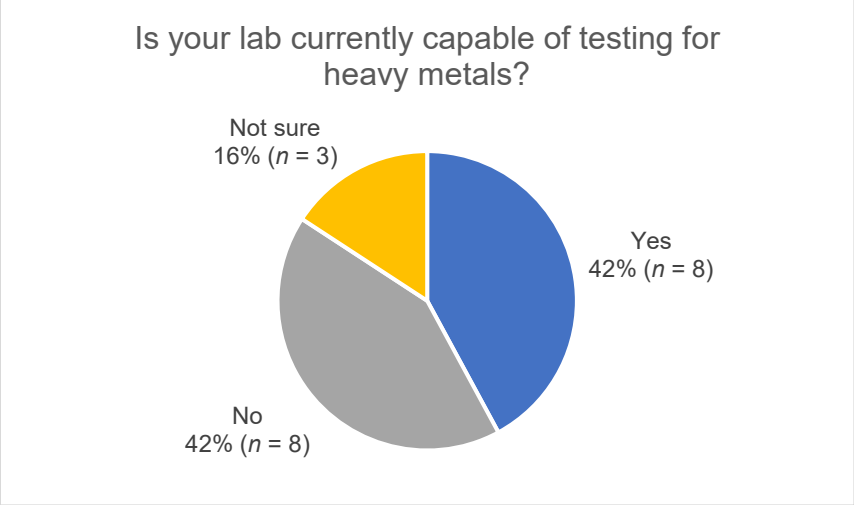
Over half (55%) said they believe that heavy metals testing should be required for all cannabis products (**Figure 27**).

Figure 27. Perception of requiring heavy metal testing among testing laboratories.



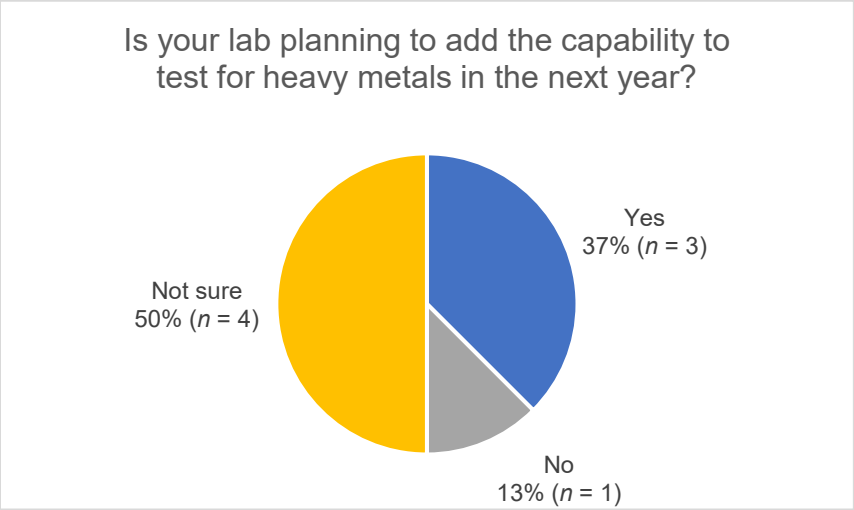
Just under half (42%) are currently capable of testing cannabis products for heavy metals (**Figure 28**).

Figure 28. Capability of heavy metals testing among testing laboratories.



Of the 42% of respondents associated with a testing laboratory that is not currently capable of testing for heavy metals, roughly a third (37%) said they plan to add this testing capability in the next year (**Figure 29**).

Figure 29. Testing laboratory plans to add capability to test for heavy metals.



General Concerns

Participants were given an opportunity to provide general feedback and identify any other concerns that were not covered in the survey. Many respondents wrote responses both in support of and against implementing a new traceability system. Several respondents suggested keeping CCRS and making important changes to its functionality. Some added that the use of integrators has already fixed many of the major problems.

Commonly requested functionalities included:

- API functionality;
- Better tracking of and access to testing results throughout the system;
- A required field for whether products are Department of Health medically compliant;
- Notifying users about which tests are required;
- Dashboards for licensees; and
- Market tracking.

When discussing issues with CCRS, respondents noted these concerns:

- Problems with the wait time for manifest creation;
- Errors that occur during uploads;
- Difficulty telling when there are errors or missed uploads; and
- Complexity of system makes third-party integrators necessary.

Primary concerns of switching to a new system included:

- Business cost and effort of implementation;
- Concern that a new system would be equally as effective or less so than CCRS; and
- The amount of waste produced by radio frequency identification (RFID) tags.

Limitations and Future Directions

Overall, there was a wide range of opinions captured by this survey, from respondents calling for a change in traceability systems to others who said that CCRS should be retained with some modifications. While there were specific questions for representatives of each business type, a

majority of the sample were producers and/or processors and there were key differences between producer/processors and those representing retail businesses. There was also limited representation of Tribes, who may experience a unique set of challenges as Tribes can be vertically integrated.

Some question responses were truncated with the highest possible response option being 'moderately' rather than 'very' or 'extremely.' In these instances, respondents who chose 'moderate' were assumed to mean 'at least moderately' or 'moderately or very' (important). However, it is possible that limiting the available response options could have influenced how respondents answered these questions. It was also unclear whether there were multiple respondents representing the same cannabis business or license and how this may have influenced results.

Ongoing education and engagement with cannabis industry partners will be important at all stages of the traceability project. This survey included some open response questions, and several respondents wrote in to suggest that LCB consult industry representatives as the traceability project moves forward. Future directions could include conducting listening sessions to gather more qualitative feedback. Seeking feedback from other external partners (e.g., state agencies, public health, prevention representatives) is also warranted.

Suggested Citation

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Contributions

The Research Program (Sarah Okey, Tyler Watson, Nick Glodosky) collaborated with Brian McQuay (LCB Data Consultant Supervisor, Cannabis Examiner's Unit) and Dustin Brown (LCB Community Engagement Specialist, Education and Enforcement) to develop the survey. Dustin Brown led recruitment. Nick Glodosky (Research Analyst) conducted analyses and wrote the final report.