

Troutman Pepper Locke Cannabis Communications Newsletter — April 23, 2025

WRITTEN BY

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Troutman Pepper Locke's Cannabis Practice helps clients throughout their business cycle enter or expand into the cannabis space. Our team combines the resources of attorneys in areas such as licensing and taxation, regulatory compliance, corporate and transactional, intellectual property, and real estate, among others, to provide comprehensive services.

Our Cannabis Practice provides advice on issues related to applicable federal and state law. Cannabis remains an illegal controlled substance under federal law.

CANNABIS REGULATORY UPDATES

WHISTLEBLOWER LAWSUIT AGAINST METRC RAISES SIGNIFICANT COMPLIANCE AND ACCOUNTABILITY CONCERNS FOR THE LEGAL CANNABIS INDUSTRY

By [Jean Smith-Gonnell](#) and [Cole White](#)

METRC, Inc., the predominant provider of seed-to-sale tracking software used by state regulatory bodies overseeing legal cannabis markets across the U.S., faces serious allegations detailed in a recent lawsuit filed in Oregon. The lawsuit, brought by a former executive at METRC, accuses the company of whistleblower retaliation and wrongful termination under Oregon law. Central to the plaintiff's complaint are allegations that METRC knowingly ignored substantial compliance violations within its tracking systems in California, potentially facilitating illegal diversion of cannabis products. The litigation raises critical concerns for cannabis regulatory compliance, not only in Oregon and California but also in the 25 other jurisdictions that rely on METRC's systems.

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