

State Allows Marijuana Growers In West Haven, Portland, Simsbury, Watertown

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January 28, 2014|By BILL WEIR, bweir@courant.com, The Hartford Courant

Four companies — in Simsbury, Portland, West Haven and Watertown — will be the first to legally produce marijuana in the state.

The announcement came Tuesday at a warehouse in West Haven, where Advanced Grow Labs — one of the four licensed companies — will operate. The other companies chosen to receive licenses are Connecticut Pharmaceutical Solution LLC in Portland, Curaleaf LLC in Simsbury and Theraplant LLC in Watertown.

All four growers say they expect to have marijuana ready for sale this summer.

In the fall, when 16 applications were submitted, state officials expected to issue only three licenses. But since then, the number of patients certified to use medical marijuana has increased from about 900 to nearly 1,700.

"We anticipate that that will rise and will accelerate" as the four companies begin supplying dispensaries with marijuana, said William Rubenstein, commissioner of the state Department of Consumer Protection, which oversees the state's medical marijuana program. Whether it will increase to the point that the state issues additional production licenses is hard to predict, Rubenstein said.

"Right now we think we have the right number of producers in the next year or so, probably the next couple of years," he said.

The state expects to issue licenses for three to five dispensaries by April.

Gov. Dannel P. Malloy, who attended Tuesday's announcement, said, "we're making progress, folks — we're going to bring relief to people here."

In 2012, the state legislature voted to legalize marijuana use for patients who get a physician's certificate of need.

"This law allows a patient and a doctor to decide what is in a patient's interest," he said. "For years, I have heard stories from people considering the benefits of medical marijuana and desperately want to follow the law and desperately who want to follow the doctor's advice and who desperately want relief from the pain from the disease they are suffering from."

Each of the 16 companies vying for a producer's license had to pay \$25,000 to apply.

The applications were judged using a scoring system that assessed nine criteria, including security, business plan, and site plan. Each guideline was worth a certain number of points — the highest total an applicant could receive was 2,600.

The "proposed business plan" category had the widest range and was worth 500 points. It covered the range of marijuana products to be offered and "the value they provide to patients," the company's plan for limiting access to the facility, its plan for protecting against the theft or loss of marijuana, and training plans for employees so they can "produce unadulterated, pharmaceutical-grade marijuana."

Rubenstein said there will be no regulations on the cost of the product and that the free market will decide prices.

What those prices will be remains to be seen, said Ethan Ruby, CEO of Theraplant.

Owing to the strict nature of the regulations in Connecticut, particularly regarding security, Ruby said, the cost of producing marijuana here will be more than in other states that have legalized medical marijuana. But he said that Theraplant prices will be "at least equal to and possibly less" than what marijuana costs on the black market.

The website priceofweed.com, which compiles user-reported entries anonymously, gives a current range of \$250 to \$350 an ounce in Connecticut, depending on quality.

Simsbury

Robert Birnbaum, chief executive officer of Curaleaf, said he doesn't know how many patients will be needed to sustain all four companies financially.

"That's a little hard to tell at this point — that's one of the risks of the business," he said.

As of Tuesday, 143 physicians have registered with the state to certify patients for marijuana use — a number that will also increase once patients have a safe place to buy marijuana, said Eileen Konieczny, president of Curaleaf. An oncology nurse and medical marijuana advocate, Konieczny said she has spoken to many doctors about the medical marijuana program. Although physicians support it, she said, they want everything up and running before they commit to it.

"In my experience as a nurse, a lot of physicians that I know are reluctant to write recommendations because they didn't want their patients to have to go to the black market," she said. "I think that those numbers will increase."

Curaleaf will operate at 100 Grist Mill Road in Simsbury in the former world headquarters building of Ensign Bickford Aerospace & Defense.

The state requires all licensees to have \$2 million in escrow. In addition to that, Curaleaf officials said they have \$6 million in committed capital and \$2 million in initial capital to cover pre-production costs. Six of the company's seven investors are from Connecticut, and one is from New York.