

New York Cannabis Lab Behind Recall Quietly Leaves the Industry

Cannabis Testing Scandal Unfolds: New York Lab Shuts Down Amid Pesticide Recall, Audit Questions, and Industry Scrutiny

Lexachrom Cannabis Lab at the Center of New York's Largest Product Recall Quietly Exits Industry

A New York marijuana testing laboratory, Lexachrom Analytical Laboratory, has abruptly exited the cannabis industry amid a state investigation into pesticide-tainted cannabis products, triggering New York's largest-ever cannabis product recall and raising fresh concerns over testing integrity within the legal marijuana market.

The lab, located in Freeport, Long Island, was temporarily shut down in May by the *Office of Cannabis Management (OCM)* after failing to comply with document sharing and operational standards. Weeks later, Lexachrom voluntarily dissolved its operations. Though no formal penalties have been issued as of yet, it remains unclear whether this strategic exit will shield the lab from further accountability.

Investigation Uncovers Suspected Data Tampering and Safety Violations

OCM's concerns with Lexachrom first came to light when the lab failed to deliver *certificates of authenticity (COAs)* within the required five-day window. Subsequent inspections between May 5 and 9 led to a May 15 stop-work order, citing six findings related to data retention, lab protocols, and safety practices.

Most damning of all was OCM's assessment that Lexachrom appeared to be "massaging results" in favor of clients, a long-suspected but rarely proven practice in cannabis testing. "Licensee focused on production rather than quality and is influenced by monetary circumstances," regulators wrote in the stop-work order.

OCM Deputy Director Stephen Geskey confirmed that Lexachrom shuttered operations the day after the final site visit, suggesting a rapid collapse in response to the mounting scrutiny.

The Recall Fallout: Contaminated Products and Broken Trust

Lexachrom tested cannabis flower later found to be contaminated with pesticides, triggering three recalls on June 11, June 25, and July 15. These products, originally cleared for sale, were deemed unfit after further testing by another laboratory revealed "unallowable levels" of pesticide residues.

Producers affected include IndoGro LLC (also known as IndiCannabis) and East End Flower Farms. IndoGro acknowledged in a statement that the recalled flower was sourced from a third-party grower and initially passed Lexachrom's testing before being flagged during retesting. The company emphasized their cooperation with the recall and OCM, asserting that consumer safety is their top priority.

Notably, OCM also alleged that a second June recall involved material from an unlicensed grower, compounding the controversy.

Lexachrom's Public Statements Contradicted Its Actions

Lexachrom was founded in 2019 by Alexander Woodmass, who was both the CEO and technical director. The lab began operations by testing products for medical marijuana providers before expanding into the adult-use market after New York legalized recreational cannabis.

By mid-July, Lexachrom's website was offline, and its telephone lines were disconnected, signaling a complete departure from the market.

Flawed COAs and Negative Cannabinoid Values Raise Red Flags

In one alarming example, Lexachrom-issued COAs reviewed by MJBizDaily showed negative values for secondary cannabinoids such as THCV and CBN, a scientific impossibility. While New York uses a total cannabinoid range that can exceed 100% due to rounding, industry experts could not explain how negative values might occur, pointing to possible software glitches, sloppy data entry, or worse.

The glaring inconsistencies have eroded trust across the industry, especially among competitors who quietly allege that Lexachrom is just one of many labs gaming the system.

State Regulators Face Pressure Amid Broader National Scrutiny

Although New York's OCM has yet to formally revoke a cannabis lab permit for falsifying data, similar scandals have rocked other markets, including Arizona, California, and Massachusetts. Each of those states has suspended or revoked licenses due to data manipulation, including THC potency inflation, mold masking, and client-pleasing COAs.

In New York, these allegations are nothing new. In December 2024, a group of cannabis testing labs submitted a letter to OCM, alleging systemic issues with test result inflation, especially in THC levels—a key metric for pricing and consumer appeal.

Still, the regulatory response has been slow. OCM hosted a “lab summit” in April, assuring attendees that potency inflation was not an issue in New York, a claim met with skepticism. Just weeks later, Lexachrom surrendered its permit, and the first recall was issued.

Calls for Reform and Transparency Grow Louder

Lab operators, cannabis producers, and consumers alike are calling for greater transparency, stricter enforcement, and the implementation of lab result verification protocols. Many are urging the state to expand its use of third-party “reference laboratories” to verify COAs and prevent faulty products from reaching shelves.

New York currently uses a reference lab in partnership with the state Department of Public Health, but it was an unnamed, OCM-licensed lab that uncovered Lexachrom's pesticide contamination.

The debacle has renewed interest in requiring COA disclosures to the public, imposing penalties for falsification, and creating a standardized framework for lab practices across the state.

What's Next for New York's Cannabis Testing Industry?

The Lexachrom scandal may prove to be a turning point for cannabis lab regulation in New York. With the market expected to surpass \$2 billion in sales by 2025, industry stakeholders argue that more rigorous oversight is not just important—it's essential for public health, consumer trust, and the credibility of the entire legal marijuana sector.

As the OCM continues its investigation, it faces increasing pressure to rebuild confidence in the system and hold bad actors accountable. Whether the state rises to that challenge will determine not only the future of cannabis testing in New York but also its ability to function as a trustworthy marketplace for safe, regulated cannabis products.

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