



# WHAT YOU NEED TO KNOW

## 2020 Regulated Marijuana Market Update

This report is intended to improve market transparency and to inform policymakers about the status of Colorado's marketplace.

The report provides several key metrics to the MED and highlights the use of the state marijuana Inventory Tracking System (provided by vendor METRC) to evaluate regulatory performance. This report is the fourth edition of Market Size and Demand for Marijuana in Colorado that was originally published in 2014. This edition examines the State's available Inventory Tracking System data through year-end 2020, focusing on the continued evolution of regulated marijuana trends in price, potency, product shares, production patterns, licensing structures and corporate market share, and product transfer flows. This report also examines the effects of COVID-19 on daily transaction characteristics, sales volume, and consumer preferences.

## KEY TAKEAWAYS



- **Saturation and Maturity.**  
Several key market indicators such as prices, potency, and active licenses appear to be consolidating at stabilized levels, with minimal changes through 2020.
- **Pricing.**  
2020 marks the first year in which prices reached and sustained higher levels than in previous years.
- **Sales Growth.**  
Adult use marijuana sales continued annual growth was expected; an increase in medical marijuana sales was unexpected.
- **Market Share.**  
Flower reclaimed market share from Concentrates for the first time, perhaps signifying a shift in consumer preferences that could be related to COVID-19.
- **Potency.**  
The average potency of most products has leveled off.
- **COVID-19 Impact.**  
The COVID-19 pandemic had a notable impact on short-term sales and transactions and may have affected consumption patterns and supply chains. Inventory Tracking System data continues to provide valuable insights into market compliance and performance.
- **Retail Market Concentration.**  
The top 10 entities accounted for 22.2% of sales.

The purpose of this report, completed under an interagency agreement between the Department of Revenue Marijuana Enforcement Division, University of Colorado, and MPG Consulting, is to provide continued analysis and insights into the State's regulated marijuana market.

This study was commissioned by DOR and MED. The Business Research Division of the University of Colorado Boulder and their subcontractor MPG Consulting jointly produced the analysis and report. As part of the study, the authors assessed the data from METRC, Colorado's marijuana inventory tracking system.



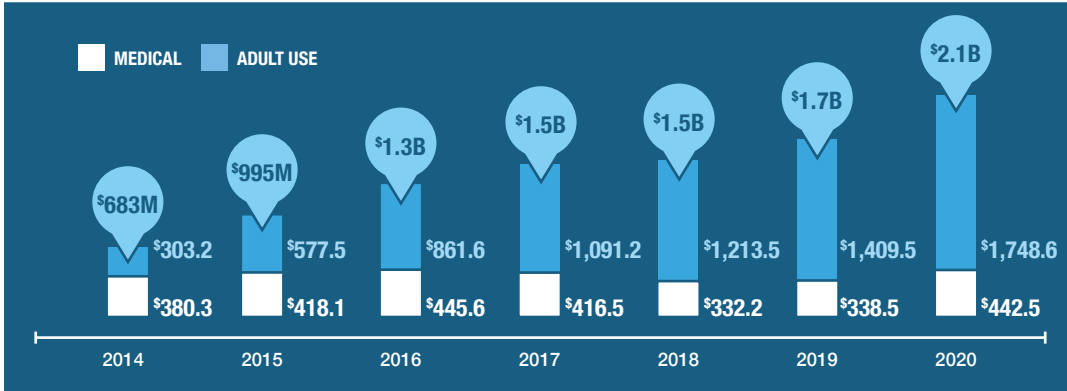
Prepared for the Colorado Marijuana Enforcement Division



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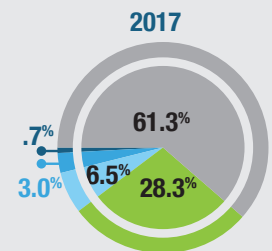
### ANNUAL SALES COLORADO REGULATED MARIJUANA



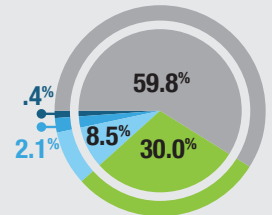
### PRODUCT TYPE MARKET SHARE COMPARISON



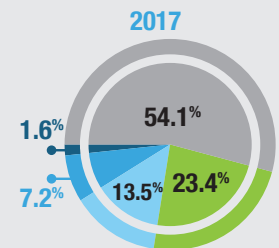
#### Medical



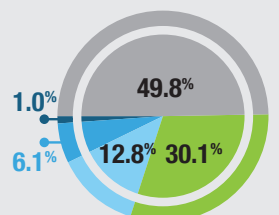
#### 2020



#### Adult Use



#### 2020



### TOP 10 OPERATORS



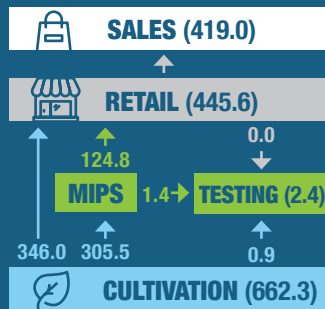
### TOP 50 OPERATORS



## 2020 FLOWER reclaimed market share from CONCENTRATES



### TRANSFER FLOWS OF FLOWER EQUIVALENT IN METRIC TONS



### AVG. PRICE PER THC DOSE BY PRODUCT

ADULT USE	MEDICAL
<b>FLOWER</b>	
\$1.43	\$0.98
<b>CONCENTRATES</b>	
\$1.39	\$1.08
<b>EDIBLES</b>	
\$1.98	\$0.52

### 2020 ACTUAL SALES: METRIC TONS (MT)

#### Flower Equivalent (FE)

