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Office of Cannabis Management

NEW YORK STATE OFFICE OF CANNABIS MANAGEMENT FILES MULTIPLE CHARGES AGAINST OMNIUM HEALTH; ORDERS STATEWIDE RETAIL RECALL OF OMNIUM- LINKED PRODUCTS

OCM Uncovers Deceptive “Rent-a-License” Scheme

OCM Seeks Revocation, Debarment, and Significant Monetary Penalties

NEW YORK, NY – Today, the [New York State Office of Cannabis Management \(OCM\)](#) issued a Notice of Pleading (NOP) against Omnum Health, Inc. (d/b/a Omnum Canna), a processing and distribution licensee. OCM charges Omnum with facilitating a scheme that allowed unlicensed cannabis businesses to hide under Omnum’s license and produce cannabis sold to retailers across the State. The allegations detail actions that violate State law, undermine New York’s goals for equity in business development, and harm the businesses who work hard to follow OCM’s compliance rules.

"I have heard so many in New York cannabis call for fairness at every level. Omnum’s alleged conduct is a blatant breach of the licensing rules designed to ensure transparency and fairness in the legal market," said **Felicia A. B. Reid, Executive Deputy Director of the Office of Cannabis Management**. "Our State’s cannabis laws are clear: licenses are not transferable and only licensed operators may produce and distribute cannabis. OCM’s move today ensures that

regulated businesses do not exploit loopholes or take advantage to undermine legal operators who play by the rules.”

OCM launched its investigation into Omnium in February 2025 following a referral from the agency’s Compliance team to the [Trade Practices Bureau \(TPB\)](#). TPB investigators examined audit and inspection records, reviewed contracts between Omnium and the unlicensed businesses, and took testimony from several witnesses.

The NOP alleges that Omnium, under the cover of its status as a New York licensee, let unlicensed businesses use Omnium facilities and resources. Omnium then charged these businesses rent—creating a ‘rent-a-license’ scheme, also known as ‘reverse licensing.’ These businesses then produced and packaged cannabis and got that product into dispensaries.

This arrangement gave unlicensed operators an unearned backdoor into New York’s regulated market, undermining the integrity and transparency.



Photo 1 — Packaging labeled “Omnium d/b/a MFused”; investigators found MFused rented Omnium’s premises and license.

Photo 2 — Unlabeled THCA isolate; no batch ID/traceability; used to boost THC potency.

Photo 3 — Bucket of THCA; no batch ID/traceability.

“Omnium's actions violated core principles of our regulatory framework and placed unvetted operators into the heart of New York’s legal market,” said **Stephen Geskey, OCM Deputy Executive Director of Labs, Compliance, and Licensing**. “This is a textbook example of reverse licensure, and OCM will not tolerate it.”

“Reverse licensing has no place in New York’s market,” said **James Rogers, Trade Practices Bureau Director**. “This kind of cheating robs compliant businesses of their right to compete in a

fair market. Acting Executive Director Reid set up the Bureau to address these kinds of threats to market integrity. The TPB team is grateful to all the individuals who came forward with crucial information and encourage others to do the same. If we work together, we can keep New York's cannabis market above board."

The NOP alleges violations including; aiding and abetting unlicensed processing; material misrepresentation; n; and failure to disclose substantial changes in business operations. OCM is seeking the following penalties:

- Revocation of both processor and distributor licenses;
- Debarment from applying for future licensure;
- Civil penalties related to the projected revenue from the sale or possession of the unauthorized cannabis products;
- Retail recall from the market of all products made by unlicensed processors; and
- Destruction of unlawfully produced cannabis products.

For more information on cannabis compliance and oversight standards visit <https://cannabis.ny.gov/compliance>.

PEN & PAD INTERVIEW SESSION TODAY @4PM

The Office will hold a **Pen & Pad interview session TODAY AT 4:00 PM** to provide press an opportunity to ask questions and speak with **Stephen Geskey, Director of Compliance, Licensing, and Labs**, and **James Rogers, Director of the Trade Practices Bureau**. Please RSVP to Press@ocm.ny.gov to attend and receive the interview link.

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