



Interview with Justin Hearn, President and CEO of AirMed Canada Systems Inc.

1. Why don't you tell me a little about the company, how it got started? How long have you been in business? What were the circumstances surrounding the creation of the business?

AirMed grew out of a legacy software company, GeoMetrix Data Systems, Inc. Founded in 1992, GeoMetrix is a pioneer in Learning Management Software with a global customer base.

In 2013 with the impending legalization of medical cannabis, GeoMetrix was approached by local entrepreneurs looking for cannabis management software specifically for Canadian compliance. At the time, there were no Canadian software applications designed for cannabis record-keeping, and the US-based systems only partially met Health Canada's regulations.

With decades of experience developing systems for highly regulated operations including pharmaceutical, healthcare, law enforcement, military, technology and finance, this project seemed like a good fit for our development team. Work on AirMed started early in 2014 and the first version of the software became available to users in 2015. Since then, AirMed has evolved into Canada's most comprehensive business management solution for cannabis producers and processors.

2. What are the compliance challenges that LP/growers face in the course of their daily operations?

Health Canada regulations apply to every aspect of a cannabis operation from tracking plants and managing inventories through labelling and packaging, to storage and transport. Each of these functions has different challenges for the business and can affect the ability to meet compliance. As a result, cannabis operations often have difficulty maintaining quality procedures that meet Good Production Practices requirements, and they struggle to keep accurate records and generate compliance reporting.

Many LPs are new to the concept of Good Management or Good Production Practices. GMP and GPP models employ

continuous improvement through a refinement of workflows and documented standard operating procedures.

Producers who are new to the industry are often surprised at the amount of information they need to track and report on to Health Canada. If a producer is involved in cultivation, extractions, processing, medical access, and seed or plant sales, the monthly CTLS report requires submission of over 2300 fields of data. Plus, the Canada Revenue Agency requires additional monthly reporting.

LPs often struggle with finding the time to do data entry on a daily basis. This leads to information being entered after activities occur, and in some cases the data recording can happen weeks or months after the event happened. If reporting for a given month is submitted to Health Canada, and then historical records are entered in for that period afterward, the opening and closing balances will not match.

Many producers also struggle with accuracy when entering data, from simple typos and incorrect quantities and weights to accidentally adding information to the wrong batch or lot. These errors lead to inventory discrepancies and missing or incomplete information.

3. Why don't you tell us how AirMed's software, specifically the new AirMed 5, differs from other similar seed-to-sale platform technologies out there on the market?

AirMed has evolved organically with the industry, developing to meet changing regulations as well as to satisfy the needs of licensed producers. We were the first to support extractions, edibles, topicals, seeds, live plants, and every other type of cannabis product. We were also the first to offer one-click automated Health Canada

reporting with support for every field except valuation fields.

Our new AirMed 5 version focuses on streamlining data entry and improving quality management and profitability for cannabis operations. With the challenges facing LPs today, our team saw an opportunity to extend the capabilities of our software to include QMS functionality as well as manufacturing support such as production orders, work orders, bill of materials, work-centre routing and more. Precise data entry audit control reduces many errors including back-dating issues by automatically raising quality incidents.

We've modelled the workflows on commonly accepted manufacturing procedures and terminology incorporating task-based work orders that let organizations precisely track the costs incurred for running their facilities.

All these new features are designed to help our clients reduce manufacturing costs and raise margins. Our goal is to provide a robust and cost-effective solution for the flexible manufacturing models required to survive in the current market conditions.

4. What are the ways in which an LP facility is inefficient in the course of their daily operations that can be improved by using AirMed?

Inconsistency in processes can result in inefficiency throughout a facility, while overproduction in relation to demand causes unnecessary waste and cost. Unlinked systems and a lack of data across key areas can inhibit the ability for producers to see where improvements can be made as well as making it difficult to comply with reporting requirements.

Our quality management features let you create effective standard operating procedures to apply best practices for cultivation, harvesting, and processing, as well as safety and security.

We're introducing product templates, production plans, bills of materials, just-in-time manufacturing support, SOP support and more. Electronic forms can be easily created and attached to workflows to support automated electronic workflows without the need for paper-based forms or excel spreadsheets. These are designed to help businesses implement frameworks that can be repeated consistently using templates and automation.

AirMed 5 offers optional business intelligence and custom report designer tools that provide real-time insights into operations to improve decision-making. Producers can analyze their processes to identify opportunities for improvement and streamline workflows. This can include optimizing inventory management, reducing waste, and minimizing downtime between harvests.

Because all data is stored in AirMed, we can provide CTLS reports that include literally thousands of fields from the database with the click of one button.

5. What are the ways AirMed makes LP facilities more sustainable (e.g., less waste, less time, less energy, etc.)?

Cannabis production, like any agricultural industry, can have a significant environmental impact. Our new manufacturing support and business intelligence features can reduce waste throughout the facility by improving efficiency and helping prevent overproduction in relation to demand.

We're also adding integration for environmental and nutrient monitoring with support for different sensor companies based on customer requirements. This integration can help producers with energy efficiency, water conservation, and sustainable growing practices. In addition to saving money, cannabis producers can reduce their environmental impact and create a more sustainable operation.

6. Where do you see the cannabis industry headed over the next 3-5 years?

The cannabis industry in Canada is currently experiencing significant challenges. We envisage more consolidation within the marketplace over the next few years as well as an increase in specialty organizations taking on outsourced responsibilities in the supply chain.

Early LPs focused on everything from cultivation to processing to packaging and supported the full range of cannabis products available for sale under Health Canada's regulations. Now producers are utilizing specialty services to outsource activities, letting them focus on the more lucrative areas central to their brand.

To become profitable, producers must evolve their processes to enhance manufacturing efficiencies and eliminate discrepancies between supply and demand. Utilizing technology for data collection and analysis can help identify areas of improvement. Strengthening systems that result in even small increases in profit margins can make a big difference in the success of a business.

AirMed is adapting its software to support increased insight as well as new strategies to boost efficiency, reduce costs, and improve the bottom line. We feel that conquering the current challenges can set a path for cannabis producers to achieve profitability and succeed across the whole market.

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<https://cannabisproonline.com/news/how-airmed-is-helping-canadian-cannabis-producers-cultivate-success/>