STEELYARD

STORE AUDIT

Modeled Michigan Store

As of 2026-10-12. Sales window 2025-10-13 to 2026-10-12.
Modeled store. Every number on these pages comes from a synthetic Michigan dispensary built to look like a mid-sized independent in October 2026. It shows what your audit will contain; it is not a real store's data.

$62,154
frozen in dead and overstocked inventory
62% of on-hand cost

38%
of gross profit consumed by discounts (28 days)
$25,147 in discounts, 18% rate

34%
gross margin after discounts (90 days)
cost recorded on 83% of lines

The five things worth doing this week

1. Cash frozen in dead and overstocked inventory $62,154 (confidence: medium, cost partly estimated)

$62,154 of inventory at cost is sitting in 175 SKUs with zero sales in 28 days and 64 SKUs carrying more than 60 days of supply, 62% of everything on the shelf. The single largest is Sour Diesel 28g Flower: 40 units, $3,218 at cost. Flower holds the most frozen cash at $24,307. Decision: pick the top twelve by dollars, feature or mark them down this week, and stop reordering the dead set.

2. Selling products that are out of stock $32,242 (confidence: medium, cost partly estimated)

216 products that sold in the last 28 days are out of stock right now, costing roughly $1,151 of gross profit per day while they stay empty. For every dollar in low-stock product there are 31:1 dollars in overstock. Decision: the reorder list is the stockout table, not the vendor's promo sheet.

3. Discounts measured against gross profit $25,147

In the last 28 days the register gave back $25,147 in discounts, a 18% discount rate, which consumed 38% of gross profit. The largest single discount is Daily Deal 15% at $13,772 (55% of discount dollars). One point of discount rate is worth $1,424 every 28 days. Decision: set a monthly discount budget as a share of net sales and review it weekly.

4. Stacked discounts $14,447

$14,447 of discount dollars (57%) landed on lines carrying two or more discounts at once. The most expensive combination is Daily Deal 15% + Loyalty 4000 pts at $3,396. Decision: turn off stacking on loyalty and daily deals unless it is deliberate.

5. Lines sold below cost $7,774 (confidence: medium, cost partly estimated)

458 products had lines sold below cost after discounts in the last 90 days, giving away $7,774 of gross profit; 6 products have a list price below their recorded cost. Decision: fix the list prices today and block discounts that push a line under cost.

Data quality

This audit covers 29,589 transactions from 2025-10-13 to 2026-10-12 (365 days). The POS cost is recorded on only 83% of sold lines; where cost is missing it is estimated from the product's package, default, or category and the result is marked as an estimate. Metrc exports were provided, so reconciliation ran.

Frozen Capital

Cash sitting in product that is not moving, next to the winners that are empty.

$47,394

dead: zero sales in 28 days

175 SKUs

$14,760

overstock: more than 60 days of supply

64 SKUs

216

selling SKUs out of stock right now

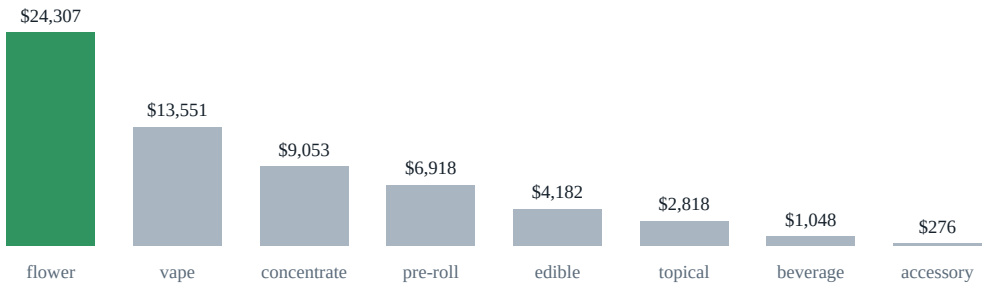
$1,151 gross profit per day

The mismatch. $62,154 is frozen in overstock while $1,975 sits in product under 7 days of supply: 31:1. Inventory received more than 90 days ago: $50,497 at cost. Largest supplier: Glacier Cultivation at 15% of net sales.

Top frozen SKUs (at cost)

Product	Category	Vendor	On hand	Sold 28d	Days supply	Frozen $	Received
Sour Diesel 28g Flower	flower	Great Lakes Collective	40	18	62	$3,218	2026-08-27
Cereal Milk 14g Flower	flower	Great Lakes Labs	58	0		$1,830	2026-06-19
Kush Mints 14g Flower	flower	Great Lakes Collective	43	0		$1,523	2026-02-17
Lemon Cherry Gelato 14g Flower	flower	Great Lakes Extracts	30	0		$1,226	2026-02-05
Red Velvet 1g Cart	vape	Thumb Kitchen	116	7	464	$1,128	2026-08-04
Purple Punch 1g Live Resin Cart	vape	Thumb Kitchen	57	0		$1,123	2026-03-02
Blue Dream 1g Live Resin	concentrate	Great Lakes Provisions	58	7	232	$1,014	2026-08-22
Ice Cream Cake 1g Live Rosin	concentrate	Straits Gardens	52	0		$938	2026-02-26
Runtz 7g Flower	flower	Great Lakes Extracts	46	0		$915	2026-02-19
Cereal Milk 14g Flower	flower	Saginaw Labs	19	0		$849	2026-05-05
Cap Junky 7g Flower	flower	Great Lakes Collective	44	0		$793	2026-06-25
Transdermal Patch #2	topical	Copper Provisions	59	0		$781	2026-02-17
Body Lotion #16	topical	Glacier Collective	54	0		$764	2026-03-08
Lemon Cherry Gelato 1g Badder	concentrate	Copper Extracts	57	0		$738	2026-03-09
Lemon Cherry Gelato 1g Live Resin	concentrate	Great Lakes Kitchen	44	0		$731	2026-01-28

Frozen capital by category



Stockouts on winners (ranked by gross profit lost per day)

Product	Category	Sold 28d	Units/day	GP/unit	Lost GP/day	Last sale
Tropicana Cookies 28g Flower	flower	75	2.9	$42.27	$122	2026-10-10
Sherb 28g Flower	flower	22	1.0	$72.00	$68.87	2026-10-07
Lemon Cherry Gelato 28g Flower	flower	20	0.8	$64.49	$51.59	2026-10-09
Oreoz 28g Flower	flower	12	0.5	$72.64	$39.62	2026-10-06
Runtz 28g Flower	flower	11	0.6	$48.09	$27.84	2026-10-03
Blue Dream 7g Flower	flower	35	1.3	$14.95	$20.12	2026-10-10
Banana Punch 3.5g Flower	flower	42	1.6	$12.25	$19.79	2026-10-10
Animal Mints 14g Flower	flower	17	0.7	$27.77	$18.88	2026-10-09
Cereal Milk 1g Live Resin Cart	vape	41	1.6	$10.44	$16.46	2026-10-10
Apples and Bananas 14g Flower	flower	11	0.4	$36.98	$15.65	2026-10-10
Super Boof 0.5g Cart	vape	26	1.0	$13.24	$13.24	2026-10-10
Chem 91 0.5g Cart	vape	16	0.7	$18.97	$13.20	2026-10-07

Expiring within 30 days (Michigan requires expired edibles to be destroyed)

Product	Tag	Units	Unit cost	Expires	Days
Iced Tea 10mg Beverage #17	1A4060300002B00000000826	8	$3.53	2026-05-23	-142
Watermelon Gummies 200mg #85	1A4060300002B00000000781	29	$7.29	2026-06-08	-126
Seltzer 10mg Beverage #12	1A4060300002B00000000820	9	$4.74	2026-06-21	-113
Peach Chocolate Bar 100mg #105	1A4060300002B00000000803	8	$3.80	2026-06-29	-105
Cola 10mg Beverage #27	1A4060300002B00000000836	48	$4.44	2026-07-08	-96
Peach Chocolate Bar 100mg #40	1A4060300002B00000000729	41	$3.77	2026-07-28	-76
Seltzer 10mg Beverage #24	1A4060300002B00000000833	45	$4.89	2026-08-17	-56
Blueberry Chews 100mg #74	1A4060300002B00000000769	8	$4.44	2026-09-06	-36
Mango Gummies 200mg #59	1A4060300002B00000000752	10	$4.18	2026-09-13	-29
Peach Gummies 200mg #64	1A4060300002B00000000758	8	$6.41	2026-09-13	-29

Discount Leakage

Realized discounts from register lines, never from the specials screen. Last 28 days unless noted.

$25,147
discount dollars (28 days)
18% of gross sales

38%
of gross profit consumed
one point of rate = $1,424 per 28 days

$893
not on the specials list
3.6% of discount dollars

Discounts by name (dollars allocated evenly across stacked names)

Discount	Dollars	Share	Lines	Transactions
Daily Deal 15%	$13,772	55%	3,302	1,436
Loyalty 4000 pts	$4,276	17%	699	311
Weekend 20%	$1,878	7%	725	335
Pre-Roll BOGO	$1,464	6%	637	560
First Time 20%	$1,400	6%	284	129
Manager Discount	$594	2%	117	46
Employee Discount 30%	$566	2%	90	43
Summer Promo 25%	$402	2%	78	34
Owner Comp	$320	1%	25	13
Veteran 10%	$305	1%	92	46
Old Promo 10%	$107	0%	30	14
Price Match	$63.72	0%	25	11

Unconfigured or out-of-date discounts that still fired

Discount	Dollars	Lines
Summer Promo 25%	$402	78
Owner Comp	$320	25
Old Promo 10%	$107	30
Price Match	$63.72	25

Stacking combinations

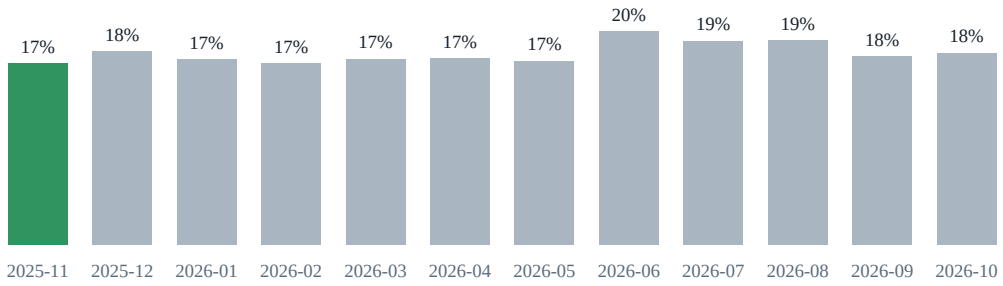
Combination	Dollars	Lines
Daily Deal 15% + Loyalty 4000 pts	$3,396	265
Daily Deal 15% + Weekend 20%	$1,810	417
Daily Deal 15% + First Time 20%	$1,114	108
Daily Deal 15% + Pre-Roll BOGO	$962	240
Daily Deal 15% + Loyalty 4000 pts + Weekend 20%	$707	60
Daily Deal 15% + Manager Discount	$654	61
Daily Deal 15% + First Time 20% + Loyalty 4000 pts	$432	21
Daily Deal 15% + Employee Discount 30%	$411	33

Employee, manager, and comp discounts: $1,480 (5.9% of discount dollars) on 101 transactions. Loyalty redemptions: $4,276, 3.6% of net sales. Stacked lines: $14,447.

Budtender manual-discount profile (manager, employee, comp, or unconfigured discounts per transaction)

Budtender	Transactions	Discount rate	Manual-disc. tx	Manual rate	Manual $
E103	194	20%	27	14%	$416
E104	189	22%	26	14%	$311
E107	190	19%	14	7%	$128
E106	167	16%	12	7%	$135
E111	210	16%	15	7%	$158
E105	212	18%	14	7%	$212
E108	197	17%	11	6%	$125
E110	164	16%	9	5%	$171
E101	214	17%	10	5%	$107
E100	173	16%	8	5%	$93.17
E109	192	19%	8	4%	$103
E102	171	16%	5	3%	$94.78

Discount rate by month



True Margin

Margin after discounts and cost, with the cost you actually recorded and an estimate where you didn't. Last 90 days.

34%

gross margin after discounts

net $367,236, COGS $243,186

83%

of sold lines have a recorded cost

146 products sold with no cost

18%

margin on landed cost (incl. 24% wholesale tax)

16% points below POS margin

Margin by category

Category	Net sales	COGS (est.)	Margin	Discount rate
flower	$179,732	$120,871	33%	16%
vape	$104,009	$65,199	37%	17%
edible	$25,704	$16,965	34%	20%
concentrate	$24,084	$15,973	34%	18%
pre-roll	$23,186	$17,583	24%	37%
accessory	$4,619	$2,547	45%	18%
topical	$3,674	$2,375	35%	16%
beverage	$2,227	$1,675	25%	22%

Margin by vendor (top by net sales)

Vendor	Net sales	COGS (est.)	Margin
Glacier Cultivation	$53,799	$35,060	35%
Great Lakes Collective	$41,637	$28,324	32%
Copper Provisions	$31,043	$20,851	33%
Harbor Botanicals	$23,656	$16,373	31%
Birch Cultivation	$16,455	$10,604	36%
Thumb Kitchen	$8,620	$5,166	40%
Great Lakes Kitchen	$7,742	$5,535	29%
Huron Provisions	$7,693	$4,654	40%
Keweenaw Botanicals	$6,785	$4,259	37%
Copper Gardens	$6,757	$4,285	37%

Cost hygiene (the list your CPA wants)

Products sold with no recorded cost: 146 ($57,857 of net sales). Lines sold below cost: 458 products, $7,774 of gross profit given away. List price below cost: 6 products. Vendor cost moved more than 25% between receipts: 8 products. Wholesale tax is recorded on 95% of 2026 received lines; where recorded it adds 24% to product cost.

Sold with no cost recorded	Net 90d	Units
Permanent Marker 1g Cart	$11,273	373
Lemon Cherry Gelato 28g Flower	$6,882	55
Super Boof 0.5g Cart	$1,781	76
Sherb 14g Flower	$1,268	20
Super Boof 28g Flower	$1,206	13
Cap Junky 1g Disposable	$1,175	91

Sold with no cost recorded	Net 90d	Units
Super Boof 14g Flower	$1,126	19
Watermelon Chocolate Bar 100mg #107	$1,102	74

List price below cost	Cost	Price
Jealousy 1g Pre-Roll	$8.95	$7.78
Cherry Pie 1g Infused Pre-Roll	$8.92	$7.76
Ice Cream Cake 0.5g Pre-Roll 2pk	$8.18	$7.11
Animal Mints 1g Disposable	$22.85	$19.87
Cherry Gummies 100mg #70	$15.89	$13.82
Seltzer 10mg Beverage #25	$7.88	$6.85

Vendor cost swing >25%	Earlier cost	Latest cost	Change
Permanent Marker 1g Pre-Roll	$3.44	$5.74	67%
Candy Rain 1g Disposable	$9.86	$16.44	67%
Kush Mints 1g Live Resin	$6.94	$11.57	67%
Red Velvet 1g Cart	$8.09	$13.48	67%
Animal Mints 3.5g Flower	$18.81	$12.97	-31%
Blue Dream 1g Sugar	$22.26	$15.35	-31%
Ice Cream Cake 1g Hash	$15.82	$10.91	-31%
GMO 0.5g Cart	$19.63	$13.54	-31%

Metrc Reconciliation

POS inventory against the Metrc packages export, tag by tag. This is what an inspector compares.

30
inspection-readiness score
of 100

14
tags where POS and Metrc disagree
41 units, $486 at cost

98%
POS transactions with a Metrc receipt (30d)
52 missing

Tags with POS stock but no active Metrc package: 5. Active Metrc packages missing from the POS: 9 (214 units). Packages on administrative hold: 2; sales against held packages in 30 days: 5. Sales after Metrc expiration: 2. The CRA's guideline fine for a Metrc data-entry violation is $5,000; theft or loss must be reported within 24 hours of when the licensee reasonably should have known.

Quantity variance by tag

Tag	Product	POS	Metrc	Delta	$ at cost
1A4060300002B00000000639	Cereal Milk 1g Hash	10	18	-8	$135
1A4060300002B00000000552	GMO 1g Disposable	12	16	-4	$63.92
1A4060300002B00000000659	Gelato 41 1g Badder	21	25	-4	$48.96
1A4060300002B00000000211	Apples and Bananas 3.5g Flower	5	9	-4	$48.60
1A4060300002B00000000719	Sour Gummies 200mg #30	46	43	3	$35.11
1A4060300002B00000000465	Sour Diesel 1g Live Resin Cart	11	9	2	$33.12
1A4060300002B00000000072	Animal Mints 7g Flower	8	9	-1	$24.34
1A4060300002B00000000775	Watermelon Gummies 200mg #79	22	19	3	$21.66
1A4060300002B00000000164	Cherry Pie 3.5g Flower	9	11	-2	$15.52
1A4060300002B00000000213	Zkittlez 3.5g Flower	19	17	2	$14.90
1A4060300002B00000000323	Mac 1 1g Pre-Roll	25	29	-4	$14.56
1A4060300002B00000000538	Zkittlez 1g Live Resin Cart	22	21	1	$13.02
1A4060300002B00000000767	Peach Gummies 100mg #72	6	5	1	$8.94
1A4060300002B00000000316	Jealousy 1g Infused Pre-Roll	10	12	-2	$8.46

Metrc packages the POS does not carry

Tag	Item	Metrc qty
1A4060300002B00000000891	Papaya 14g Flower	30
1A4060300002B00000000892	GMO 3.5g Flower	32
1A4060300002B00000000893	Cereal Milk 3.5g Flower	29
1A4060300002B00000000894	Papaya 14g Flower	10
1A4060300002B00000000895	Cereal Milk 3.5g Flower	36
1A4060300002B00000000896	Sour Chews 100mg #99	20
1A4060300002B00000000897	Permanent Marker 0.7g Pre-Roll	12
1A4060300002B00000000898	Cereal Milk 7g Flower	37
1A4060300002B00000000899	Chem 91 1g Disposable	8

Sales against packages on hold (last 30 days)

Date	Transaction	Product	Tag	Qty
2026-09-26	T328349	Papaya 0.7g Pre-Roll	1A4060300002B00000000284	1
2026-10-12	T329727	Papaya 0.7g Pre-Roll	1A4060300002B00000000284	2
2026-10-12	T329741	Sour Chews 100mg #99	1A4060300002B00000000284	1
2026-10-12	T329742	Sherb 1g Hash	1A4060300002B00000000239	1
2026-10-12	T329742	Permanent Marker 1g Cart	1A4060300002B00000000284	1

What this is worth, and what happens next

A conservative read of these four pages over twelve months: recovering half the frozen capital once ($31,077), cutting the discount rate by one point ($18,509 a year), filling a third of the stockout gap ($126,089), and stopping below-cost lines ($31,097) is on the order of **$204,608**. That is an estimate built only from the numbers above; the store decides what to act on.

How Steelyard works after the audit

Every Monday at 6 a.m. you get one page: the five highest-dollar actions in your store, each naming the SKUs, discounts, or package tags, with the dollar figure and the data-quality line first. Your inventory manager gets a daily Metrc variance watchlist by tag. Nothing writes to your POS or to Metrc; decisions stay with you. Connected read-only through your POS vendor's API key and your own Metrc user key, revocable by you at any time; or run from exports if you prefer.

Founding Ten: $299 per store per month, locked for 12 months, in exchange for a case study and weekly feedback. Standard: $449 per store per month, month to month, chains from $299 per store. Billed by ACH. Cancel any time; your data is returned or destroyed on request with written confirmation.

Definitions

Dead: zero units sold in the last 28 days with stock on hand. Overstock: more than 60 days of supply at the 28-day sales rate. Days of supply: on-hand units divided by units sold per in-stock day. Discount rate: discount dollars divided by gross sales before discounts. Gross profit before discounts: gross sales minus cost. Cost precedence: the cost on the sold line, then the package's received cost, then the product's default cost, then the category's median cost-to-price ratio (marked as an estimate). Unconfigured discount: a discount name on a sold line that is not on the active discount list or fired outside its valid dates. Manual discount: an employee, manager, comp, or unconfigured discount. Landed cost: product cost plus the per-unit wholesale tax recorded at receiving. Metrc variance: POS on-hand minus Metrc package quantity for the same tag, assuming the same unit of measure. All thresholds are adjustable per store.