

# Canopy Growth Corporation

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## Canopy Growth Corporation splashes \$165M on German vape maker

Canopy Growth Corporation (TSE:WEED) (NYSE:CGC) is splashing some of its estimated US\$4 billion cash pile on a vape designer and manufacturer.

The giant of the cannabis industry is paying US\$165 million (€145 million) for Germany's Storz & Bickel, with chairman Bruce Linton calling the deal a "marquee acquisition".

**READ:** Canopy Growth completes strategic extract supply agreement with MediPharm Labs

He added that the transaction leaves Canopy "well positioned" for the next wave of federally-regulated products in Canada beyond dried flower and edible oils.

"By combining [our] existing designs and Canada's open environment for federally permissible R&D with Storz & Bickel's deep IP portfolio and management team, Canopy Growth is poised to lead the high-margin vaporizing category around the world," Linton explained.

Storz founder Jürgen Bickel will remain with the business.

**Swoop fits with strategy**

The swoop for S&B fits with Canopy's strategy, which is to be a "category killer" in the international market for cannabis products.

It sells a wide range of products including the dried plant, oils and capsules for both medical and recreational use.

In August, the beer and spirits group Constellation Brands made a US\$3.7 billion (C\$5 billion) investment in the business and the two firms are currently working on a cannabis-infused beer.

The global market for medical cannabis is forecast to generate US\$180 billion within the next few years.

**In 11 countries**

Canopy has a presence in 11 countries, including Australia, Germany and Spain.

Most have already legalized cannabis for medical use or are on the cusp of doing so.

Noteworthy is the fact that, while Canopy's shares are listed in New York, the firm does not conduct business in the United States where cannabis possession is still a federal status.

**Price:** C\$59.85

**Market Cap:** C\$20537.87M

### 1 Year Share Price Graph



### Share Information

**Code:** WEED

**Listing:** TSX

**52 week High Low**  
C\$76.68 C\$31.81

**Sector:** Cannabis

**Website:** canopygrowth.com

### Company Synopsis:

*Our vision is to be the number one cannabis company in the world. From product and process innovation to market execution and everything in between, we are driven by a passion for leadership, a commitment to drive the industry forward, and above all else, providing medical and recreational cannabis consumers the best possible experience.*

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