



Shopify Inc. Is Getting Into the Marijuana Business ... and Now Artificial Intelligence, Too?

Description

Last week, the Ontario government announced it had inked a deal with one of Canada's leading technology companies and one of the leading e-commerce firms globally, **Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)). Shopify's online platform will be used for the sale of marijuana both in store and online as part of the Ontario Cannabis Retail Corporation (OCRC), and it will be the sole distributor of the drug within the province.

In addition to using Shopify's already popular online platform for e-commerce sales, the province will also use Shopify's technology inside brick-and-mortar stores to assist sales associates processing transactions on iPads, while also including digital screens that will display relevant product and health information.

In addition to using Shopify's technology to support the sales function, it also announced it would be using Shopify's platform to help manage the organization's supply chain, including accounting and human resource applications.

Last year, the Ontario government decided it would assign a subsidiary of the Ontario Liquor Control Board (LCBO) to be the sole party responsible for sales and distribution in the province.

Meanwhile, other provinces, like the more liberal-leaning British Columbia and Alberta have opted to allow for some private sales of the drug, which is expected to become legal this summer.

While the OCRC cited that it was proud to be using Shopify as an example of made-in-Canada innovation, it remains to be seen whether other provinces or private distributors will follow suit.

Apple Inc. is interested in Shopify's virtual reality applications

Tim Cook, CEO of **Apple Inc.** ([NASDAQ:AAPL](#)), made a surprise visit to Shopify's Toronto headquarters after the company revealed late last year that it had developed an in-app augmented reality feature that would allow shoppers to virtually see how furniture would look in customers' homes.

Cook is unabashedly bullish on [artificial intelligence \(AI\)](#) and virtual reality (VR) technology. Augmented reality, which pairs the two technologies, is expected to become a \$50 billion industry by 2024, growing by upwards of 70% annually over the next seven years.

And the CEO is a fan of Shopify too, praising the Canadian company for democratizing technology in a way that better enables entrepreneurs and hobbyists to bring their products to market.

When Apple announced the debut of iOS 11 and ARKit last year, it did so with great intentions to include applications for augmented reality, including compatibility with the forthcoming releases of the iPhone 8 and X models.

Conclusion

Shopify was already growing its business at an impressive clip as one of the leading companies in the [rapidly growing e-commerce market](#).

Now that the company is venturing into Canada's recreational marijuana market and artificial intelligence, there's no telling the limits to how far this Canadian technology firm can go.

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