



## Aurora Cannabis Inc. Has Been Busy: 3 Big Moves Last Month

### Description

It's been a busy month for **Aurora Cannabis Inc.** ([TSX:ACB](#)), with the company making several moves to help secure a top spot in the soon-to-be-legal recreational marijuana market.

With July 1 now fewer than four months away, the recreational cannabis market is beginning to take shape, and it will only be matter of time now before we learn who will be the eventual winners of the "Green Rush."

Aurora has a shorter operating history than peers **Canopy Growth Corp.** ([TSX:WEED](#)) and **Aphria Inc.** ([TSX:APH](#)), so it's had to work extra hard to carve out its share of the pie.

### Aurora inks a distribution deal with Shoppers Drug Mart

Last week, Aurora announced it had signed a deal with Shoppers Drug Mart, owned by **Loblaw Companies Ltd.** ([TSX:L](#)), which will see the pharmacy chain sell its medicinal cannabis products online.

Loblaw applied in October 2016 for a licence to dispense medical marijuana and has signed similar agreements with other licensed producers, meaning that Aurora will be only one of many brands on the Shoppers online site, but certainly being a part of the picture will help Aurora to get its product out into the market.

### Aurora agrees to a "friendly" partnership with CanniMed Therapeutics Inc. (TSX:CMED)

Also last week, it was announced that federal regulators had approved Aurora's purchase of smaller rival CanniMed Therapeutics for \$1.1 billion.

It seems as though Aurora was "highly motivated" to close the transaction, as it had initially made a hostile bid at \$24 per share, but wanting to ensure a deal took place, it upped its price to \$43 later in the year.

The deal certainly comes as welcome news to CanniMed's shareholders, who get a better price for the

value of their shares, but it does call into question the decision by Aurora's management to pay top dollar for a smaller rival.

It may be that Aurora was eager to get its hands on CanniMed's top-grade product line, as there have been rumours lately calling into question the quality of Aurora's product that was being sold online earlier this year.

### **Aurora acquires a minority stake in Liquor Stores N.A. Ltd. (TSX:LIQ)**

While the closing of the CanniMed deal was, for the most part, already expected by the market, maybe Aurora's biggest deal of the month was its \$103.5 million purchase of Liquor Stores, an [Alberta-based retail network of alcohol stores](#).

The \$103.5 million purchase gives Aurora a 19.5% stake in the alcohol distributor with warrants that will allow it to increase its stake up to 40% down the road if it chooses to.

In announcing the move, Aurora's CEO Terry Booth pointed to Liquor Stores's "infrastructure, logistics and capacity to build and operate a large network of retail outlets" as reasons in support of the deal and was optimistic as to potential synergies the new company could tap into in terms of establishing a positive customer experience for adult customers.

### **Conclusion**

Aurora is making some big moves to secure distribution and bolster its product line as [July 1 rapidly approaches](#).

It's anyone's guess as to how the market will shake out once recreational cannabis becomes legal, but it's certainly nice to see Aurora's management and its board of directors taking an aggressive approach to secure a "first-mover advantage" while the opportunity is there.

### **CATEGORY**

1. Dividend Stocks
2. Investing

### **TICKERS GLOBAL**

1. TSX:ACB (Aurora Cannabis)
2. TSX:L (Loblaw Companies Limited)

### **PARTNER-FEEDS**

1. Msn
2. Newscred
3. Sharewise
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1. Dividend Stocks

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**Date**

2025/08/22

**Date Created**

2018/03/18

**Author**

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