



Is Bruce Linton Right About Aurora Cannabis Inc (TSX:ACB)?

Description

Canopy Growth ([TSX:WEED](#))(NYSE:CGC) is no fan of **Aurora Cannabis** ([TSX:ACB](#)); that much has been painfully clear in recent months. While Aurora was engaging in multiple high-profile deals, Canopy Growth co-CEO Bruce Linton was [critical of the moves](#), saying that companies were paying excessive amounts to try and get ahead in the industry.

This week, he went a bit further when commenting on the possibility of Aurora and **Coca-Cola** ([NYSE:KO](#)) possibly [partnering up](#) in what would be a blockbuster deal for the industry.

When asked about the deal on *BNN Bloomberg*, Linton said, “People have to learn to run their businesses,” and suggested the company was reckless in letting details leak. “These deals fall apart when you make them public discussions.” This is not the first time that details relating to talks Aurora was having with companies became public knowledge.

Investors will recall that last year Aurora had a very public soap opera with CanniMed Therapeutics Inc. before the two eventually agreed to a friendly deal. Contrary to Linton, the publicity of the event didn’t hurt the deal in the end, and you could argue it helped give Aurora’s stock price a big boost during the process.

However, to go so far as to question how Aurora is running its business is amusing at best. Aurora may have been a bit brazen and aggressive with some of its moves, but it might be the most popular stock on the TSX, and it has done a great job of building its brand in the process.

Did Canopy Growth miss the boat?

While Canopy Growth has a great deal of its own with **Constellation Brands** to produce beverages, it could be that Linton is just a little bitter that the biggest name in soft drinks could be partnering up with his company’s biggest rival.

And let’s face it; if Aurora gets Coca-Cola to partner with it, that is going to be huge. Not only does it have the skills and capabilities of making a great drink, but Coca-Cola’s large network and wide reach across the globe give Aurora a significant advantage that no beer maker will be able to come close to

rivaling.

Aurora could easily have access to markets around the world, with the only limitation being the legality of edibles in those markets. But other than that, Aurora would be several steps ahead of its rival, and Canopy Growth should be worried, because if this deal goes through, it'll be a big win for Aurora and will send the stock soaring.

Bottom line

Canopy Growth may not like Aurora, and that's fine. But Linton's comments look petty and make him look bitter in the process. Aurora is proving to be more than just a formidable opponent in the industry and could very well end up being the market leader.

Although there are many companies vying for market share in the industry, it's looking like it might end up being a two-horse race.

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