



## 1 Marijuana Company Setting Strong Roots in the U.S.

### Description

The cannabis market has come a long way in Canada. Over the past two years, sales and revenues have skyrocketed, and this upward trend will likely continue. This makes Canada a particularly attractive target for pot companies and investors looking to make a buck. However, the market south of the border promises to be even larger. Indeed, the state of California alone could rack up sales that will eclipse those of Canada. With that in mind, let's look at a cannabis company with strong footprints in the Golden State and elsewhere in the U.S.: **MedMen Enterprises** ([CNSX:MMEN](#)).

### Retail presence in California

MedMen has a very clear strategy in mind, and one of the firm's top priorities is to build a solid brand name. The pot company intends to do so by entering top markets. No wonder, then, that MedMen chose California, which was the first U.S. state to legalize medical uses of marijuana and is currently one of about a dozen states that have legalized recreational uses as well. California is also the largest U.S. state by population (by a notable margin) and is even more populated than Canada. Thus, the Golden State presents golden opportunities to pot companies.

MedMen argues that various cannabis regulations and restrictions create somewhat of a barrier to entry in the industry. For instance, there is a limited number of licences available to be issued to retailers. Further, in the state of California, cannabis retail stores must (by law) be located a certain distance away from schools, churches, other cannabis retail stores, etc. These factors make it much harder for new pot companies to move in once others have already established a presence. Since MedMen already possesses solid footprints in the state (with 11 retail stores), the firm is at an advantage.

### Moving into the sunshine state

California isn't the only state in which MedMen has set up shop. The company has also entered the state of Illinois. In case you don't remember, Illinois recently became the latest state to legalize recreational uses of marijuana. The Midwestern state presents another interesting opportunity for cannabis companies. Last year, MedMen announced an agreement to acquire

PharmaCann, one of the largest medical cannabis operators in the state. PharmaCann currently serves an overwhelming majority of patients in Chicago, the largest city in Illinois.

Once the regulatory review closes, MedMen will acquire PharmaCann's 10 retail stores, which should serve as a nice springboard for its operations in Illinois. MedMen is also present in other states, including Arizona (three locations), Nevada (three locations), and New York (four locations). However, the firm is currently establishing strong footprints in Florida. MedMen already possesses two retail locations in the sunshine state, but the firm expects to open about 10 more in the near future. This would make Florida — the fourth-largest state by population and one in which medical uses of marijuana are legal — one of MedMen's most important markets.

## Setting the stage for the future

MedMen is still a relatively small and unprofitable corporation. But then again, that's true for many companies in the marijuana sector. The firm's effort to build a strong presence in some of the largest markets in the U.S., though, could pay rich dividends in the future. Of course, a lot would have to go right for that to happen, and now is probably a bit too soon to jump aboard this ship, especially since its expenses and costs have [increasing at a frenetic pace](#). However, it would be wise to keep an eye on MedMen Enterprises.

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## 2. Editor's Choice

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