



3 Companies Doing Cannabis Differently

Description

As the market for cannabis stocks continues to mature, investors will need to keep digging deeper to uncover the real value hidden in the sector.

Here are three cannabis stocks that have opted for less-conventional routes, carving out their own unique niches within the rapidly growing market for legal cannabis.

Hexo ([TSX:HEXO](#)) inked a deal with leading alcoholic beverage maker **Molson Coors Canada** last year that will see the two companies join forces to work on developing a cannabis-infused recreational adult beverage product line.

But HEXO's got grander ambitions than just that.

In its latest investor presentation, the company made clear its plans to go after the market for cannabis as an ingredient in everyday food products.

However, so far "edibles" (foods that contain cannabis) aren't legal for recreational consumption in any of Canada's provinces or territories.

But that should be about to change soon.

Health Canada confirmed this week that Canadians should expect to be able to [legally buy edibles](#) by as early as this the middle of this December.

One of the trends that has come along with the legalization of cannabis is more openness among the drugs users to experiment with different applications. While edibles haven't hit the market yet, and we don't know exactly how consumers will respond when they do, it's certainly proving to be one of the more interesting parts of the sector lately.

Charlotte's Web Holdings ([TSX:CWEB](#)), meanwhile, is another cannabis company that's choosing to do things a little differently.

Inspired by Charlotte Figi, a young girl suffering from epilepsy, CWEB's founders are dedicated to developing products that only include at most, trace amounts of THC, and thus don't involve any of the psychoactive side effects that might be deemed unnecessary or even uncomfortable by some users.

CWEB already boasts the leading share of the market for hemp-based wellness products with over 6,000 retail locations already in place, 675,000 lbs of hemp produced in 2018, with 700 acres planned for planting in 2019.

Medipharma Labs (TSXV:LABS) is another company focused on the [cannabis derivatives space](#).

However, rather than sell derivative products such as edibles, concentrates for vape pens, topicals, and potentially even cannabis-infused beverages, Medipharma sees itself as a niche business, serving the needs of companies seeking to develop and sell those type of products by helping them in the process of extraction.

Extraction is actually a fairly complex chemical process — one that involves several stages of production, the proper amount of scale, and, of course, the technical know-how.

But that's precisely where LABS sees a good opportunity.

By contracting raw cannabis flower product from licensed LPs, facilitating and overseeing the extraction process through to completion, followed by selling the finished product back to LPs, LABS helps its customers develop more user-friendly, higher-margin cannabis products and receives a very reasonable processing fee along the way.

CATEGORY

1. Cannabis Stocks
2. Investing

POST TAG

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TICKERS GLOBAL

1. TSX:CWEB (Charlotte's Web Holdings, Inc.)
2. TSX:HEXO (HEXO Corp.)
3. TSX:LABS (MediPharm Labs Corp.)

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