

# Fox Business

## Canada stock hub for US pot purveyors?

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MedMen, the Los Angeles-based pot dispensary, is the latest pot company to go public in Canada, part of a trend.

The marijuana seller, which operates 12 shops in California, New York and Nevada, listed with a \$1.65 billion valuation on the Canadian Securities Exchange. That move followed the completion of a reverse takeover of a Canadian public company by U.S.-based MM Enterprises USA.

The company, which has been renamed MedMen Enterprises, has raised about \$110 million.

MedMen co-founder and CEO Adam Bierman told [FOX Business](#) that the move was a no-brainer and was needed in order to move toward the goal of building a \$25 billion business.

"Why can't a U.S. marijuana business list up in Canada?" Bierman asked. "We can't list on the NASDAQ or NYSE, so instead of complaining about it or being deterred by it, we said, 'Let's just go and do it.' "

Conflicting U.S. and Canadian laws have made it difficult for American pot companies to raise money. In a reversal, Canadian cannabis companies are listing on major U.S. stock exchanges, while American ones are heading to Canada because they are barred from listing in the U.S.

Just last week, Ontario-based marijuana company Canopy Growth debuted on the New York Stock Exchange, while another Canadian pot producer, Cronos Group, became in February the first pure-play marijuana stock to list on the Nasdaq. To date, the Canadian Securities Exchange has 67 cannabis companies listed including several with operations in the U.S.

David Bukzin, vice chairman of Marcum LLP, says the move to list on the Canadian Securities Exchange is the best option for U.S. companies such as MedMen, and he predicts others will follow suit until U.S. rules change.

"It seems to be the most welcoming stock exchange for U.S. cannabis companies that actually touch the plant," he told FOX Business. "Time will tell if companies that list on the CSE will get the coverage, liquidity and access to capital that make the added cost and regulation of being public worth it."

The cannabis industry in the U.S. alone is expected to reach \$75 billion by 2030, according to investment bank Cowen & Co.

Bierman says his company is fighting for change to happen in the U.S.

"Cannabis prohibition needs to end," he says. "It's ridiculous at this point, and no one is fighting for it with more resources than we are."