Rritual Superfoods is looking to dominate the functional foods market

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It appears mushrooms are going to save the world. Previously at InvestorIntel, we discussed the solutions to treat mental illness, substance abuse and trauma through the use of psychedelics found in psilocybin – more commonly known as magic mushrooms. Today we are going to look at the science of adaptogens, non-toxic herbs, roots, and fungi that work to increase your body's ability to resist stressors, restoring the body to its normal or optimal function. Rritual Superfoods Inc. (CSE: RSF) is a functional superfood company that creates plant-based elixirs, which support immunity, focus and relaxation. Functional foods and "Superfoods" are foods that offer maximum nutritional benefits and are packed with vitamins, minerals, and antioxidants.

Adaptogens are substances that produce resistance to stress in both animals and humans and are commonly found in plants and fungi. Scientifically, adaptogens were first documented in the 1950s and since then much work has gone into studying the effects on humans with respect to stress reduction, resistance to mental fatigue and improved attention capabilities (which may be required to plow through my articles). Rritual's three initial mushroom adaptogen formulations, including chaga (immune), reishi (relax), and lion's mane (focus) were launched roughly two months ago via the Company's e-commerce portal. From there the Company ramped up production capacity and added both a Chief Innovation Officer and VP Sales USA to support growth of the original three products and develop several new offerings.

Source: Company Website

One of the biggest milestones to date was the announcement that Rite Aid stores, the third largest US drugstore chain, would be carrying Rritual's premium brands in Q2/Q3 of this year. The Rite Aid rollout will be phased toward reaching 1,000 retail stores, in addition to Rite Aid's e-commerce platform. Strategically, the Company is aiming at national retailers rather than regional rollouts in order to gain market share and category defining leadership. To that end, Rritual also signed a partnership with CROSSMARK Inc. (CEO, David Kerbel's former employer) a leading sales and marketing services agency that specializes in growing retail brands throughout nearly every category of the consumer goods industry. The strategic collaboration is intended to provide actionable insights that drive growth and establish Rritual as a defining brand in the superfoods category.

On the innovation front, recently appointed Chief Innovation Officer, Stacey Gillespie, has launched the Company's Research and Development division, establishing best practices toward the development of a category leading product pipeline. Rritual deploys a process for product development that blends best practices with agility to identify categories with high growth potential, including its flagship mushrooms and adaptogens product line. This is an important point for shareholders and potential shareholders to note, as the Company isn't just focused on the products that they know best, but is listening to what the market wants and thus what will maximize revenue generation.

New innovative products such as the following are from the Company's Product Pipeline for Q2/Q3:

- **Vegan Chai Rose Latte Collagen Booster:** Collagen-Booster Rose Chai Latte Powder made with tremella, reishi, aloe vera and other beautifying superfoods in a skin-hydrating & vegan cream base.
- **Mood & Energy Ube Matcha Latte Powder:** Made with Cordyceps, lion's mane, matcha & a broad-spectrum of prebiotic superfoods of purple sweet potato powder, lucuma, and inulin which combined support a healthy microbiome so you can trust your gut again.
- **Superfood Vegan Creamer:** Made with vegan cream base and proprietary immune-synergy blend with key adaptogenic botanicals.
- **Ready to Drink Beverages:** Powered by adaptogenic botanicals and enhanced with organic exotic superfruits and prebiotic fibers to support a healthy microbiome which in turn helps support a healthy immune system, digestive function, and a positive outlook.

According to Grandview Research, it is estimated that the global functional food market is projected to reach $275 billion by 2025, growing at 7.9% each year with consumers putting more emphasis on health and wellness. Rritual isn't just looking to participate in this market, it is looking to dominate the functional mushroom and adaptogen space with clear points of differentiation. With quality products adapting to consumer wants and needs, an aggressive marketing plan developed by a skilled and experienced management team and confirmed manufacturing capacity that has been scaled to service distribution to 2,400 retail stores with 10,000 points of distribution, this is a company on the move. The Company raised $6 million with its IPO in March, which should give it ample funding to get to the next level whereby they are generating revenue. I'm looking forward to seeing their Q2/21 results and because I'm kind of a stock nerd, reading the associated MD&A.