

Apple Rush Eyes Future with Hemp Extract-Infused Sparkling Beverages



Tony Torgerud

As his company readies for the rollout of its hemp extract-infused sparkling beverages, Apple Rush CEO Tony Torgerud sat down with Tom Bachmann, VP-Southeast for The Shelby Report, for an overview of the Titusville, Florida-based company and its products.

The company's newest creation is its line of Element Brands—Element C (with CBD) and Element K (with Kratom). Formulated based on the profile of Apple Rush, they are 12-oz. drinks consisting of seltzer, juice and CBD or Kratom produced with a high quality water-soluble extract created in-house. They are non-GMO, vegan and have no added sugar or preservatives.

"Apple Rush is our core brand. We are changing...the structure of the company to become more of a holding company and have all of our brands underneath our holding company instead of under the Apple Rush brand name," Torgerud said. "We'll be chang-

ing the name branding to APRU brands as the company and bringing all of our brands under that umbrella."

The Apple Rush Co., through its subsidiary APRU LLC, is a distributor of CPG products under the trademarked Apple Rush brand and other labels.

APRU focuses on the development and sales of all-natural Apple Rush sparkling juices and research and development of premium hemp extracts that contain a broad range of cannabinoids and natural hemp derivatives and other active ingredients such as agathos active, Kratom, kava, blue lotus and ginseng.



The company Apple Rush itself dates back to 1972 in California. Torgerud, who has a background in CBD, said he has been involved since 2016.

"Hopefully by the 50th year, which is going to be two years from now, we are going to (have Apple Rush) in all 50 states," he said. "Right now, we are in nine. We are going to go to 20 this year. That's our plan."

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The company has partnered with a small craft brewery, Brew Theory, in Orlando. The beverages do well "across the board," according to Torgerud.

"In Miami, it does well with the Hispanic population because it's fruit," he said. "Kids love it because it's not soda but it acts like soda. Adults like it because it's probably the best mixer for an adult beverage that I've ever tasted. You can make margaritas with it. You can make daiquiris with it."

Apple Rush currently comes in four flavors—apple, black cherry, blueberry and pomegranate.

"We tested strawberry, cranberry, blackberry, so we've got other things in the works as well," Torgerud said. "And we make a CBD water that's plain water that's got CBD in it. It's the only product (like it) on the market that I've tasted that doesn't taste like dirt."

"We developed the Element C and the Element K product line so that people when they looked at it they'd go, 'Wow, that doesn't look like I'm taking some sort of a drug.' It doesn't have any marijuana leaves on it or anything else. It's very sterile looking."

As for packaging, Torgerud described it as mainstream.

"I don't have to go to a 'head shop' to get it. This can be picked up," he said. "If you bought it in a convenience store you wouldn't be afraid of it. You can drink it in front of your kids. You know, it says CBD on it and that's it...you don't have (people) asking why you are drinking a marijuana drink. And it's not marijuana. It's made from hemp."

Current distribution is primarily through independent merchants, however Torgerud said he thinks the "corporate side will come along with it and start getting into it."

"We'll start seeing Walgreens and CVS and a few other players are in the CBD space. As long as they are getting into it, you are going to start seeing some of the convenience and grocery markets joining in as well," he said. "Ultimately, I think that the independent gas stations, the independent grocery stores, the independent smoke shops are our initial thrust and hopefully it ends up in Walmart."

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Asked about the company's growth plans, Torgerud didn't hesitate.

"We will be looking to gain national distribution...and we will start doing some trade shows ourselves as well. I think that by the end of the year we should be able to have independent stores nationwide with Element C, I hope. I think we can be that big. We produced 14 pallets in our first production run and it's virtually all sold already."

Though he's not able to disclose specifics just yet, Torgerud said the company is close to an arrangement for Apple Rush with a large wholesaler.

"We have some other things coming," he said. "We are about to launch a beverage with some alcohol in it...we are testing it now with a cider version. We tested it with a flavored malt beverage, which we do like, and we tested it with a hard liquor version as well. I prefer to go the cider route if we can and we are working on that project right now."

And for those perhaps skeptical about CBD and its possible benefits, he said he won't make any medical claims.

"I would tell people to look up what CBD does on the internet and do a little bit of research and I think you'll find out what the benefits are," he said. "Same thing with Kratom...it's a great product. We know it's effective. We tested it. We know that the product works."

In closing, Torgerud encouraged consumers—as well as potential investors—to pay attention in the months ahead.

"We are a public company. We are traded on the open markets at APRU, our stock symbol. It's a good opportunity if you are looking to get into something that is cutting edge with some very, very big growth prospects based on the people we are involved with," he said.

"You have Peter and Philip Busch from Anheuser-Busch family. We have Gentry Pelham from North Florida Sales, Joel Champagne from Champagne Beverage in Louisiana. All successful wholesalers that are taking on the products and ultimately they are going to help us push it across the finish line."

In a recent letter to shareholders, Torgerud described that team as having "decades of experience in the beverage industry" and noted they are working diligently on the rollout plans.

According to the letter, "Several advisors are distributors that have spent their lives in the business of delivering consumers the brands they desire, as well as adding professionals that have a proven track record of running successful businesses. Creating the right pack at the right price is most important for this rollout. Marketing and grass-roots sampling will continue to follow in the appropriate market."

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