Meet the Modded Vans That Carry California's Legal Weed

Quality Coachworks is in the business of building secure transport vehicles so both cash and weed can get around safely.

BY ROGER GARBOW MARCH 8, 2022

NEWS



ack when a dime bag could last a week, Cheech Marin and Tommy
Chong cooked up a creative way to transport marijuana with a Chevy P10
step van in the 1978 stoner classic *Up in Smoke*. Forty-three years after the
movie's release, cannabis is still being transported with vans. But these days,
the weed is legal, carried much less conspicuously, and the vehicles used to
transport it have become an industry in and of themselves.

As our states legalize cannabis faster than Elon Musk drops promises, and some foreign governments are opening the doors to medicinal and recreational use, the marketplace for secure transport is growing rapidly. One such company, Quality Coachworks, is using its many years of experience in building limousines and armored personal cars to get in on the business. Just like people, weed and cash also need to get from Point A to Point B safely.



UP IN SMOKE

Today's marijuana and cash transport vehicles look a bit different from this.

Federal vs. State Hurdles

Here in the United States, the federal government seems to be living in the world of *Reefer Madness* since marijuana remains classified as a Schedule I substance under the Controlled Substances Act. That classification creates big hurdles for both growers and dispensaries through banking restrictions on companies doing any business in the cannabis world. Basically, any FDIC-insured institution is unable to provide financial services to those in the pot biz. And since most credit card payment processors also are wary of doing business in quasi-legal industries, marijuana is a massive cash business. Handling that cash is nearly as problematic as the cannabis itself.

With the potential tax windfall, the state of California wisely considered helping herb businesses prosper in a safe and secure manner when Proposition 64, which legalized the recreational use of cannabis, passed in 2016. While the banking issue was being tackled on the legislative side, Cali leadership set to work on the logistics end. So, in addition to working with the growers on farming and production, the state's Department of Agriculture decided to address the issue of secure transport of both cannabis and cash by creating a set of basic requirements for transport vehicles: onboard video, GPS tracking, climate control, and double locks to limit access, even if the door was left open.

Quality Coachworks

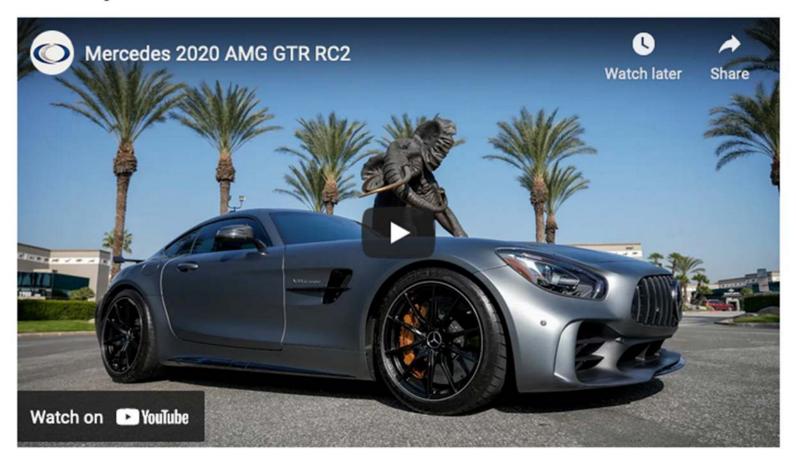
Now for outsourcing the labor. In 2015, the current State Board of Equalization agricultural liaison and former monster truck builder Seth Doulton approached Quality Coachworks owner, Dominick Vitelli, to develop the prototype vehicle.

Vitelli is no stranger to bespoke vehicle-building. He began working in the custom coach business as a young man in 1983, moving from his home in Brooklyn, New York, to Southern California to join his uncle Vini Bergeman—whom we once called "The Limo King of Los Angeles"—the innovative showman behind Ultra Limousine Corporation. Vitelli found himself thrown into the deep end as the super-stretch limo business was exploding, becoming the poster child for '80s excess. Over the next two decades, Vitelli was on the front lines as the industry changed from super stretched cars to more conservative vans and SUVs. In 2008, Dom and his wife Brenda set out on their own and opened Quality Coachworks in Ontario, California, with five employees.

Timing could not have been worse for the new company, as the stock market crash brought the custom limo industry to a screeching halt. Fortunately, Vitelli had the fortitude to carry on and expanded into other areas, including corporate SUVs and armored private vehicles, two market categories that are

thriving today.

The clientele for armored cars is growing and diverse, ranging from wealthy paranoid suburbanites to security-obsessed CEOs and media-hounded celebrities. Quality Coachworks will armor almost any vehicle with options including electrified door handles, smoke screen and pepper spray emitters, heavy-duty run-flat tires, and of course, bullet-proof glass. One client requested the full treatment, including a sound cannon, on her Mercedes-AMG GT-R Coupe.



In Business

After Doulton's proposal, Vitelli and his team set to work and built 10 prototypes. It was a learning process for both the state and Vitelli. The prototypes featured numerous components that made it through the testing process, including GPS tracking, cameras, and remote access to the camera system so managers could see what the workers were doing.

One thing that the team got wrong was the size of the prototypes, however. "We used Ford Transit Connects for the first builds and they were too small," Vitelli

told us in an interview. "We had to move up to the larger Ford Transits.

Business grew too quickly for the small vans, and they were too short on cargo."

After a year of test trials, the state gave Vitelli the green light. But Quality Coachworks' phone didn't start ringing for another year, when the state began granting retail cannabis licenses.

Today, business is brisk as Quality Coachworks builds what it calls "state-compliant Secure Delivery Vehicles" on a wide range of models, from the Ford Transit Connect to Nissan NV200 compact vans, and all the way up to semi-trailers which can carry upwards of \$1 million in marijuana products. Production times range from 14 days for non-armored vehicles to five weeks for a fully armored van.



OUALITY COACHWORKS

A converted Nissan cash van.

























The list of modifications is extensive and varies depending on the intended use. Touchpad climate controls and insulated floors and walls keep the product stable, while reinforced doors and roofs, welded side doors, and door hinge covers provide protection against break-ins. Vehicles are outfitted with an internal cage and a locking rear door to satisfy the state's double lock requirement, keeping the kiddos from snagging some joints if the rear door is left ajar. In addition to GPS tracking, there are up to nine cameras in and on each vehicle, recording the cargo, driver, and the exterior of the van.

For vehicles delivering to multiple retail locations, programmable digital lockboxes can be loaded with orders based on delivery stops. To minimize theft and mistakes, the lockboxes can be configured to only release the combinations upon arrival.

"While 75 percent of the vans are armored," Vitelli said, "full-armoring is heavy, adding up to 900 pounds to the vehicle. Some clients prefer to armor just the cab area—which still satisfies their insurance policies—but with the lower weight, [it] saves on fuel and parts wear."

The base vehicle is sourced with the end conversion in mind, speccing the proper load rating for the finished build and carrying capacity. Fortunately, weed is not heavy. And for those vehicles that will be used to transport cash, there are one or two safes and money drops built into the back. Considering how much cash a dispensary handles, a generic white van draws a lot less attention than a Brinks truck.

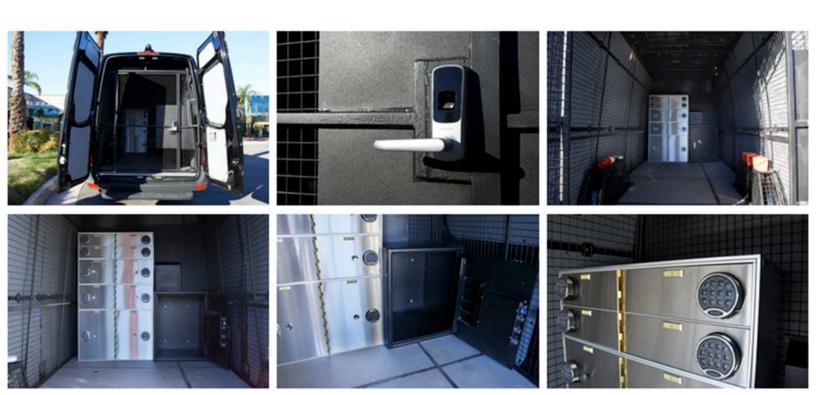


OUALITY COACHWORKS

A converted Mercedes-Benz van.







The conversions run from \$20,000 to \$45,000 in addition to the cost of the base vehicle. Since Ford is apparently willing to finance the full cost, including the conversion, the Transit and Transit Connect are two of Quality Coachworks' most popular cannabis vehicles. And, predictably, the numbers of orders spike when the state releases new cannabis licenses.

Mostly Cash... for Now

As more dispensaries open across the country and new cannabis producers are popping up to legally serve consumers looking to partake, you would think it's high times for everyone involved. I asked Vitelli how the forecast looks for 2022.

"We have a good number of orders but because of the lack of available chassis from Ford, Nissan, and Mercedes, we can't build them as quickly as we would like," he said. Last year, Quality Coachworks built about 100 Secure Delivery Vehicles in addition to everything else it produces. This year's production is looking to be about the same. The reason for this, as Vitelli explained, is that as some existing customers move up to larger vehicles, their used, secure van

some existing customers move up to larger vehicles, their used, secure van becomes available for the next operator starting up. Also, there is increased competition with a number of other conversion companies jumping into the segment.

But in spite of the legalization efforts at the state level, the painfully slow wait for federal decriminalization is keeping the industry in a murky purgatory between its criminal past and a Wall Street darling future. Merely building transport vehicles for the cannabis industry isn't without its problems, for example. One of Quality Coachworks' two banks recently found out the company was manufacturing cannabis vehicles. A bank exec showed up at the door the next morning with a check to close its account.



QUALITY COACHWORKS

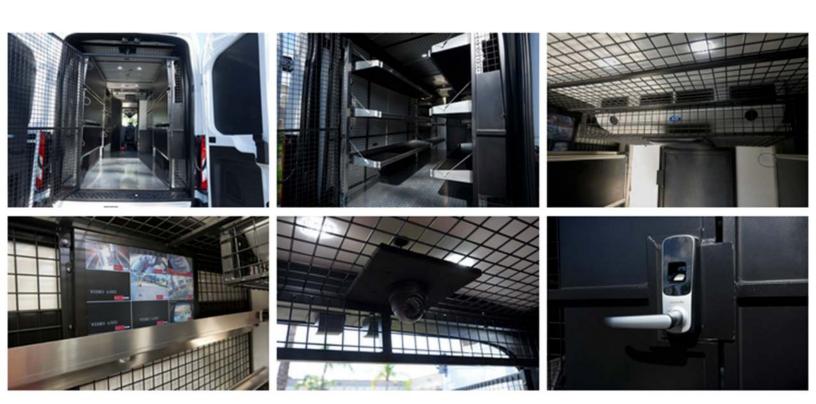
A converted Mercedes-Benz van.











But the pressure is building for change. Historically, the biggest opponents to decriminalization have been private prison corporations looking to keep beds full, the pharmaceutical industry, and alcohol and beer companies. Some companies in those latter two industries are starting to realize the winds are against them and are now investing in the industry they fought. Late last year, Pfizer acquired a cannabinoid-based biotech company for \$6.7 billion, while Anheuser-Busch InBev and Heineken are investing in cannabis-infused beverages to combat their slumping beer sales.

But the current state of things reduces the current cannabis industry into a mostly cash business. Maybe once the state-versus-federal tangles get straightened out, this will be a thing of the past, and weed stores can operate in the same way that everyone else does. For now, though, they need companies like Quality Coachworks to build the vehicles that'll protect their employees, their product, and their cash.