

3 Dividend Stocks Keeping it Simple for Investors

Description

Often, the most successful businesses provide essential products or services used by consumers every day. People use these without much thought... and depend on them greatly. The following three companies offer solid income opportunities for investors.

1. Enbridge

Enbridge ([TSX: ENB](#)) delivers natural gas to homes and businesses and the company is Canada's largest natural gas distribution enterprise. In Canada and the U.S., Enbridge operates the world's longest crude oil and liquids transportation system.

Blaming the harsh winter, Enbridge applied to Ontario regulators for a 40% rise in the energy rates it charges its customers. Of course, it was a formality and the Ontario Energy Board did give its approval. The company said it has to recoup the costs of buying more natural gas on the open market.

However, as the *Canadian Press* reported, "The natural-gas company Enbridge has applied to Ontario regulators for a nearly 40 per cent hike in the energy rates it charges customers, *just one month after predicting that its massive storage capacity should mute any price increase.*"

This is a company with a captive market beholden to its whims. The rate hike approval is a boon for Enbridge and its shareholders. The average consumer hiking up the thermostat on these still bitterly cold spring nights in much of Ontario thinks otherwise (the new rate took effect April 1, 2014). Consumers will see more of a hit to their wallets next winter because of this increase.

However, that's the name of the game when you have an essential product to distribute that consumers cannot do without. Enbridge is keeping it simple and this week declared a quarterly dividend of \$0.35 per common share.

Imperial Oil

It doesn't get much simpler than filling up the gas tank at an "Esso" outlet of **Imperial Oil** ([TSX: IMO](#)) in Canada. Imperial Oil is a major producer of crude oil and natural gas and Canada's major petroleum refiner. It is a vital petrochemical producer and a national marketer with cross-country supply and retail networks.

The company has been modernizing its retail network in major urban markets. However, unlike Enbridge, the company doesn't have a captive audience. There's enough choice in Canada for consumers to drive up to a competitor's gas bar to fill up. Nonetheless, Imperial has a broad retail network and is keeping it simple dispensing fuel 24/7 to consumers.

It markets through approximately 470 company-owned retail sites and approximately 1,300 sites owned and managed by branded wholesalers and its dealers. This week, Imperial Oil declared a quarterly dividend of 13 cents per share on its outstanding common shares.

WestJet Airlines

It can't get much simpler from a business model perspective than **WestJet Airlines** (TSX: WJA) offering scheduled airline service to a host of destinations. *Air Transport World* magazine recognized the company as 2014 Value Airline of the Year.

In 2013, WestJet experienced record net earnings of \$268.7 million. This represents a 10.9 per cent increase over 2012. Furthermore, it launched WestJet Encore, the company's new short-haul regional airline. WestJet Encore ended 2013 with a fleet of eight Bombardier Q400 NextGen aircraft serving 15 communities in Canada.

WestJet has a growing favorable reputation in Canada among air travellers. Its new Plus product includes extra legroom, complimentary change and cancel options, and advance boarding. It also includes priority security screening at available airports and complimentary food and beverages.

WestJet recently announced Penticton, B.C., as its newest destination, with non-stop service between Penticton and Calgary, starting on October 26, 2014.

This past February, WestJet declared a 20% increase to its quarterly dividend. It increased its dividend from \$0.10 to \$0.12 per common voting share and variable voting share.

Foolish bottom line

It doesn't have to be complicated if regular income is your investing goal. Seek out dividend paying companies selling unassuming products or services with a rich history of growth. Traditional products and services, which most use without thinking, are filling the coffers of these companies and the wallets of investors as well.

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