



Ring In the Flu Season With Jamieson Wellness Inc.

Description

IPO investing isn't for the faint of heart. As we've witnessed many times over the past few years, many IPOs have garnered a huge amount of hype in the first few trading sessions only to fall into the abyss, as hype fades and reality starts to set in. That's why I always advise new investors to avoid the IPO game, especially if there's a tonne of hype leading up to it. While IPOs can be exciting, it's a more prudent decision to sit on the sidelines and wait until the dust settles to initiate a long-term position.

Although most IPOs are speculative gambles, there are a few outliers that could be great buys even in the first few trading sessions. These are usually simple, boring businesses that have established a brand for themselves over the course of many decades. Such predictable businesses are usually great buys, assuming the IPO price is reasonable and management has a solid long-term growth plan. Although such businesses may not seem as exciting as a hot new tech firm in an emerging market that many of us know little about, it's usually a safer bet if you want to invest and not speculate.

Jamieson Wellness Inc. ([TSX:JWEL](#)) is a stock [I've been bullish on since day one](#). The stock has surged ~38% from its IPO price of \$15.75 and continues to pick up momentum thanks to a solid third-quarter earnings report and a new seasonal product with the potential to boost sales for the quarters ahead.

The company clocked in \$80.1 million in revenue for Q3, up 44% on a year-over-year basis and falling in line with the Street consensus. That's some solid top-line growth, which is expected to continue to surge, as the company continues to bolster its presence in the Canadian vitamin and mineral market, which was worth over \$430 million in 2016.

A way to profit from the dreaded flu season

The flu bug is coming, and so it's time to stock up on supplements to counter the nasty effects. The flu bug was really bad last year, and if you've had the unfortunate luck of getting the flu, then you've probably noticed how long and horrible it was compared to flus of the past. The bugs are getting worse, and if you're in close proximity to others on a consistent basis, cold and flu supplements are a must-have.

Jamieson recently released its Cold Fighter chewables, which is supposed to beef up your immune system to prevent colds or flus from happening or dampen the effects of the cold or flu after you've contracted it.

Flus are no laughing matter anymore. The effects are getting nastier, and they're lasting longer. That has many consumers worried, which is good for sales of Jamieson's new product, which should contribute a great deal to the next few wintery quarters.

Bottom line

Jamieson is a simple, boring business that's been around for nearly a decade. It's a household name, and odds are, you've got a bunch of Jamieson products in your medicine cabinet.

Going forward, there are [many short- and long-term tailwinds](#) to be excited about. In the short term, the dreaded flu season will likely propel Jamieson as consumers rush to buy its Cold Fighter product at the first signs of a cold or flu.

Stay hungry. Stay Foolish.

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