Forget Cyber Week Deals: This Stock Has Massive Potential Now

Description

One of my favourite aspects of investing is identifying a rare find that has so much potential, yet it remains relatively unknown or underappreciated by the market.

One such finding is **Alimentation Couche Tard Inc.** (TSX:ATD.B).

For those not familiar with Couche Tard, the company is one of the largest gas station and convenience store operators in the world, with over 13,000 locations across North America, Europe, Asia, and parts of Africa.

Couche Tard operates under a variety of familiar brands such as Circle K, Mac's, Becker's, and several others. Couche Tard is in the process of consolidating those brands down to a single brand — Circle K — excluding stores located within Quebec, where they will operate under the Couche Tard name.

There's <u>plenty to love</u> about Couche Tard, but one of the main points that investors should take into consideration is the explosive expansion the company has undergone over the years. Few investors realize that Couche Tard's impressive footprint was established through a masterstroke set of deals within the past two decades.

And there's plenty more to come.

Couche Tard has been steadily looking at ways to innovate the convenience store model, and some locations in Asia are already sporting seats for patrons to consume products as well as a greater assortment of fresh-food items and clean restrooms. In other words, Couche Tard is looking at making the convenience store/gas station a *destination* rather than a stop on the way to another destination.

Closer to home, Couche Tard has expressed interest in being given the chance to sell marijuana products once they are legalized next year, citing the experience the company has with selling alcohol products. Couche Tard even hired a lobbyist earlier this year to push the matter in Quebec.

Critics of Couche Tard often refer to the overreliance the company has on gas stations, especially considering that hybrid and electric vehicles are becoming more popular. Industry experts are predicting that electric vehicles could replace upwards of 90% of gas engines within the next three decades, with a tipping point coming much sooner.

This presents a dilemma, as gas-based service stations are built for efficiency and getting customers fueled up and out within minutes, whereas electric recharging stations require upwards of half an hour to get a minimal charge, and a full charge could take a few hours.

This is where Couche Tard's vision fits into the puzzle. Customers will come to the station, plug in their vehicles, have a bite to eat, use the facilities, and have a coffee, while waiting for their vehicle to recharge. It's a brilliant idea that could prove incredibly forward-thinking and lucrative, especially as none of Couche Tard's competitors are known to be courting this idea.

As for further growth, acquisitions are likely to continue fueling the insatiable appetite that Couche Tard has shown with respect to expanding for the <u>foreseeable future</u>.

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