



This Dividend-Growth Stock Would Make a Great Addition to Your RRSP

Description

Sometimes it pays to be boring.

Many investors in the stock market are in it, at least partially, for the thrill of it — the thrill of picking “winners,” being in control of your own financial destiny, and being right after everyone told you were wrong.

Right now, marijuana stocks are all the rage in the Canadian market, as investors and speculators anticipate what could be a [multi-billion dollar market for recreational pot](#) and all of the potential profits.

It's easy to understand why the prospects of huge returns — multiple baggers, as they say — are alluring. Yet, as the fable of the tortoise and the hare teaches us, it's slow and steady that ultimately wins the race.

Intertape Polymer Group ([TSX:ITP](#)) is not a flashy stock by any means.

On the company's website, its business is described as “a recognized leader in the development, manufacture and sale of a variety of paper and film based pressure-sensitive and water-activated tapes, polyethylene and specialized polyolefin films, woven coated fabrics and complementary packaging systems for industrial and retail use.”

Essentially, that's fancy way to say that the company makes packing tape.

With this company, you aren't going to expect to see the type of innovation you would normally see from firms involved in [artificial intelligence \(AI\)](#), like **Facebook, Inc. Common Stock** or **Alphabet Inc.**

But there's still solid growth taking place at Intertape Polymer.

In the third quarter, the company reported revenue that was up 17.9% over the year-ago period with net earnings up a very impressive 320%. That growth is largely on the back of some recent acquisitions the company made in 2015, including the purchase of Cantech and Powerband.

In addition to those moves, the company is also making a conscious effort to expand its manufacturing capacity to meet oncoming demand.

And while the company pays a dividend — and a decent one at that — of 3.41% following a 5.6% hike last year, management's stated objective is to direct capital towards internal growth opportunities, including more bolt-on acquisitions and capacity expansions.

When all is said and done, management expects these initiatives to drive the company towards sales growth for the next five to seven years.

And the nice thing about Intertape Polymer is that it has the balance sheet to support its current growth strategy, with only \$311 million in debt compared to a market capitalization of \$1.23 billion.

Bottom line

While Intertape Polymer isn't the kind of stock that is going to have people gathered around you at a cocktail party, it probably could make you a couple of bucks, and the long-term growth trajectory ahead of it makes it a viable buy-and-hold candidate for your RRSP, TFSA, or even your child's RESP.

Boring is boring. But at the end of the day, money is still money.

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Author

jphillips

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