



## 1 Boring Stock That Warren Buffett Might Have Owned If He Were Canadian

### Description

Warren Buffett's affinity for boring stocks is hardly a mystery. The sleep-inducing businesses behind these stocks typically possess easy-to-understand business models and a predictable long-term earnings-growth trajectory, leaving less room for error when considering inputs for financial models versus a more exciting growth play.

Typically, such boring stocks may also have a wide moat built around their businesses in the form of an exclusive brand or a reputation that's been developed over the several decades. In the age of technological innovation, it's become vital to possess a moat in order to give investors peace of mind if they intend to implement a buy and hold strategy.

**Jamieson Wellness Inc.** ([TSX:JWEL](#)) is one company that fits the bill as a boring stock that Warren Buffett may have considered if wanted to invest in Canada. Jamieson is Canada's oldest and largest manufacturer and distributor of vitamins, minerals, and supplements (VMS). Although the company just kicked off its [IPO](#) last year, it's worth remembering that Jamieson has been around the game for nearly a century and has developed a remarkable reputation and brand.

Vitamins, minerals, and supplements are just commodities. No firm can patent vitamin C, so as you'd imagine, there's a swarm of competitors from all corners fighting for a piece of the VMS pie.

Thus, just how has Jamieson been able to separate itself from the crowd to become the preferred brand of supplements for Canadians?

Canadians don't just reach for the green-capped supplements in the pharmacy aisle because it's their favourite colour. The Jamieson brand is built on many decades of trust, which has created a profound level of customer loyalty that continues to strengthen year after year. As a public company, Jamieson can really put its foot on the gas when it comes to marketing campaigns, thereby helping the company increase its Canadian VMS market share.

Many of us would grab the green-capped Jamieson vitamins without thinking too much of it, even though a far cheaper alternative may be right beside it. You could save a buck or two by going for a lesser-known competitor, but given the assurance of quality, the premium is well worth it for many

consumers.

Supplements from other manufacturers as notorious for manufacturing less potent supplements that fail to live up to the promises to consumers. With various fillers being introduced into supplements, the actual amount of a particular supplement may be as low as 9% of the amount that's stated on the actual bottle's label according to *JAMA Internal Medicine*.

With this in mind, there's no question that Jamieson's investment in quality control allows its products to have a durable competitive advantage over many of its peers in the space. Warren Buffett loves firms with reputations for integrity. Combine that with its predictability, wide moat, and several long-term growth prospects and you have a business that [Warren Buffett](#) may have considered if he were domiciled in Canada.

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## CATEGORY

1. Investing

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