



## 1 Growth Firm Capitalizing on 2 Major Generational Opportunities

### Description

**Jamieson Wellness Inc.** ([TSX:JWEL](#)) is one of the few recent IPOs that I gave investors [the green light to buy last year](#).

The average investor should avoid IPOs because of the excessive hype that surrounds the first few days or weeks of trading. The short-term boom-and-bust nature of the whole process can really stand to hurt investors.

In addition, with a lack of historical financial data available to the general public, it's pretty hard to form a solid long-term thesis. Without such a thesis, it's tough to draw the line between an investment and a speculation when you choose to dabble in an IPO.

Jamieson was an exception, though.

### A growth play disguised as a boring stalwart

Not only was the IPO relatively quiet compared to your average high-flying growth play, but it was the first time in a while that an incredibly boring company went public after being a well-known staple for nearly a century! You heard that right — a century! And unlike **Canada Goose**, which that opened shop over 60 years ago, Jamieson isn't offering anything that's been hot of late. In fact, there's little, if any, room to innovate in the supplements space, especially since the entire industry has been commoditized!

So, you've got a boring vitamin, minerals, and supplements (VMS) firm that hasn't really innovated in its near century of existence. No wonder the IPO didn't go through the whole boom and bust that many others do. The lack of hype, though, I believe, is unwarranted.

Although it may seem that there's little to no growth to be had from such an old-fashioned business, there are pretty strong tailwinds that will be at the company's back, and as a publicly traded identity, the company will have the finances to expand at the international level, improve brand awareness through additional marketing campaigns, or to create interesting new products. These initiatives will allow the firm to grow its earnings by a meaningful amount year over year in a predictable fashion

thanks to the simple-to-understand nature of the business.

## Two generational tailwinds to get excited about

It's an easy-to-understand business model, and it's capitalizing on two major generational trends that will likely propel top-line growth for many years to come: the ageing baby boomer population, and the rise of millennial spending towards a peak.

Baby boomers are getting older, and with age comes ailments and various other deficiencies, whether it's weak joints and the need for a glucosamine supplement or weakened bones that need a boost with a calcium supplement. It's not a mystery why baby boomers are a huge target consumer in the VMS space, but Jamieson isn't stopping there.

Jamieson is primarily known as a vitamins and minerals company, but it's been flexing its "supplements" muscle of late with its new Jamieson essentials plus protein product, which may hit the right tone with millennials — a generation that really seems to love protein!

Moreover, millennials have shown time and time again their desire to live and maintain a healthy lifestyle. That's a huge reason why many consumer packaged-goods firms are on their knees, because many millennials are opting to skip the middle aisle at their local grocer and go straight for the fresh food section, where the avocados and the like are located!

Supplementing one's diet with VMS has thus been of high importance to many millennials, and with a new product that offers proteins and all the vitamins needed, millennials can conveniently make themselves a shake for their protein and nutrition needs without having to pop various different pills.

Millennials value convenience and healthy eating habits — both traits that Jamieson appears to have identified with their new product, which has gotten pretty favourable reviews thus far.

## Bottom line

Jamieson appears to be a boring company to take a pass on, but I think it's a mistake to overlook this gem of a company that possesses traits of a typical [Warren Buffett business](#), as it caters to two generations, new and old, with quality products.

## CATEGORY

1. Investing

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