



## I'm a Raging Bull on This Boring Growth Stock

### Description

**Jamieson Wellness Inc.** ([TSX:JWEL](#)) is a boring, low-tech growth stock that doesn't get the coverage it deserves. It's easy to dismiss a vitamin company when you're on the hunt for market-beating returns. That said, I believe that doing so will deprive your portfolio of an easy-to-understand name with many traits that followers of [Warren Buffett](#) would find attractive.

While it may seem that low-tech and growth is an oxymoron, it's worth noting that Jamieson not only possesses an intriguing new growth profile as a public company, but it's also got the wind at its back as it moves to better cater both to [baby boomers and millennials](#), two major consumers of vitamins, minerals, and supplements (VMS).

### Overlooked brand power

Jamieson has incredible brand power, and its slight premium over many of its competitors is worth every penny, not only because of the fancy green-capped bottle or the cute leaf mascot on the commercials, but also because of the assurance of quality.

Many [VMS manufacturers fail to deliver an accurate amount of vitamin or mineral per dosage compared to what's being promised on the bottle](#). Jamieson, on the other hand, stands by what its label promises to deliver, as the company has not skimped on quality control procedures.

If you've got a vitamin D deficiency and are advised to take supplements, consuming a cheap product that may deliver just 9% of what's promised could be detrimental to one's health; thus, trust is incredibly important when determining which health item you'll consume. Is saving a buck or two with an off-brand product really worth receiving an incorrect dosage? According to many Canadians who continue to flock to the brand after all these decades, it's clearly not.

### Product innovation could cause organic growth to surge

Jamieson has been around for nearly 100 years, and the VMS industry hasn't changed much since the Jamieson's inception. Moreover, given the commoditized industry, how is Jamieson able to innovate and increase its Canadian and international market share?

Apart from the broader trend of baby boomers (and millennials) popping more supplements to better look after themselves, Jamieson has been upping its game with new products recently. It's not just vitamins and minerals in pill form anymore. Jamieson has expanded its product line into protein products and cold and flu fighters, and have done much to make the experience of taking your daily supplements a lot more fun.

Remember the Flintstone vitamins and gummies you used to take as a kid?

They're a lot more fun and tastier than those over-sized adult multivitamins that are impossible to swallow on the first try! Jamieson has a gummie offering for adults and it tastes just like candy!

Such cool new product offerings (and Essentials + Protein) that have driven organic growth through the roof. As of Q1 2018, organic growth jumped ~8% year-over-year thanks to these new products, and the organic growth is likely to accelerate as we head into 2019. Jamieson is expecting to launch approximately 50 products this year, and you can bet that many of them cater to millennials or baby boomers.

As we enter the latter part of the year, new products are going to be rolled out with various marketing campaigns to draw attention to them. This sets the stage for what I believe will be double-digit year-over-year organic growth in future quarters.

### **Bottom line**

Jamieson's a low-tech growth story with promising near and long-term catalysts that could cause shares to easily double over the next five years, not including dividends (yield is 1.41% at the time of writing).

I'd encourage investors to get some skin in the game today with the intention of buying more on weakness. I'm personally waiting for a pullback to \$20 before pounding the table, as the mixed Q1 2018 earnings report may pave the way for an opportunistic entry point in the months ahead.

Stay hungry. Stay Foolish.

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