

Couche-Tard (TSX:ATD.B): A Stock for Wealth and Convenience

Description

Alimentation Couche-Tard Inc. (TSX:ATD.B) is like a mustard seed that was planted in 1980 and grew to a strong mustard tree. That aptly describes the monster growth of the largest convenience store operator in Canada and second largest in North America. From the first store in Laval, Quebec, that number has grown to 9,943 convenience stores.

Since the beginning, the company was tenacious in acquiring not only multiple stores, but also networks of stores as a way to build its niche. The buying spree was unrelenting. When listing on the TSX came before the new millennium, the company is already the industry leader. After a decade, Couche-Tard is inside the U.S. market.

From shopping spree to efficiency

Today, Couche-Tard stands 10 feet tall. The company has conquered Europe and is now operating the most number of convenience stores. The Scandinavian region is another conquest. Aside from being the top convenience store honcho there, the company cornered to road transportation fuel retail market.

The company's shopping appetite has waned. It doesn't mean that there's a scarcity of acquisition targets or that business is slowing down. Management has stepped on the brakes to guard against losing economies of scale. The company saw it fit to fine-tune and work double time to improve operational efficiencies.

Trailblazing is not yet over

If you think about it, Couche-Tard should be content with the massive network at hand. Imagine the nearly 10,000 convenience stores operating in North America alone — plus the sheer number of road transportation fuel dispensing outlets. However, investors should realize that Couche-Tard is a trailblazer.

The expertise is in the acquisition and integration of convenience stores in the home country and outside. Judging by the track record, the acquisitions do not happen few and far between. The timing is always perfect every time, which is why the organic growth is something to marvel at.

Also keep in mind that the Couche-Tard is fortunate to have a management team composed of forward thinkers. It won't be surprising to see the company knock on the doors of the Southeast Asian market. When the timing is perfect, expect the Couche-Tard to make the right moves.

A safe growth stock

The company is unfazed by competition because none can measure up to Couche-Tard's [flying colours](#). In the same light, investors shouldn't doubt the potentials of ATD.B as a safe growth stock. While the price was somewhat erratic in December, it was more of the investors' general sentiment that triggered the market sell-off.

Since January 8, the stock price has never gone down below the \$70.00 mark. The price stands at \$73.28 as of the moment. It is within striking distance of the 52-week high of \$74.25. You could say the stock isn't currently trading at expensive multiples.

If you are planning to overhaul your portfolio, consider this stock. Couche-Tard has the cunning ability to produce moneymakers from out of the acquired businesses. Sit back while you invest in wealth and convenience.

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Date

2025/07/22

Date Created

2019/02/15

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