



2 Stellar Growth Stocks to Buy and Hold for the Next 19 Years

Description

Buy-and-hold or sit-on-your-bum investing seems easy to do on paper, but in actuality, it's one of the tougher investment styles out there. Not only must investors have [conviction](#) in their long-term thesis, but they also need to have a business with a wide enough moat such that forward-looking that you're projecting won't become compromised by technological disruptors.

Warren Buffett's right-hand man, Charlie Munger, is a pretty big sit-on-your-bum investor. And while it makes him billions over his investment career, the fact remains that in the modern age, it's incredibly difficult to hold onto companies for decades at a time because of the increased rate of technological disruption. As you may have heard, the rise of AI, e-commerce, and other technologies are transforming how business is done regardless of industry. Heck, even mattress companies are getting disrupted by tech-leveraging firms these days!

The companies that fail to adapt are the ones that'll see their moats erode. But the ones with capable management teams, proven track records, and [proactive adaptation strategies](#) will be the old firms that will remain minimally impacted from the tectonic shift experienced in the company's industry.

Consider the following two stocks that I believe investors will be able to hold for decades at a time with minimal worry about moat-eroding effects of technology:

Kinaxis ([TSX:KXS](#))

Naturally, a tech company that's disrupting as we speak is a great place to start. The company has been developing remarkable supply chain management solutions and proprietary software (like Rapid Response) that have shown tremendous promise with an impressive and growing list of clientele.

Based out of Ottawa, Kinaxis could become the next big Canadian tech sensation over the next five years and beyond, potentially putting Ottawa on the map as the next big tech hub (the Canadian silicon valley perhaps?) With a 20% in annual top-line growth over the last decade, Kinaxis is a proven growth king, and given the moat that the company has built around its niche; I suspect the company is just getting started as the supply chain management market remains relatively untapped.

Constellation Software ([TSX:CSU](#))

In line with the tech theme, Constellation Software is a company that will likely profit profoundly from the disruption of other industries. The company owns stakes in small up-and-coming startup tech firms, and I like to think of the company as a giant venture capitalist firm with a competent management team.

As you can see from the longer-term chart, Constellation Software has been a reasonably smooth ride up over the last decade. The company's profitable, high-ROE model has made long-term investors rich, and the proof is in the pudding for those willing to take a look under the hood.

Management seems shy, as they're not a fan of conference calls, but don't let their under-the-radar approach deter you from this stellar growth investment that'll continue to play the role of the disruptor for many decades to come.

Foolish takeaway

Don't let your portfolio get disrupted by tech. If you can't beat 'em, join 'em with Kinaxis and Constellation Software, two disruptors whose moats will widen at the expense of less-adaptable old-time companies.

Stay hungry. Stay Foolish.

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2. TSX:KXS (Kinaxis Inc.)

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Author

joefrenette

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