



This Company Is Responsible for Over 90% of Canada's Overnight Air Cargo Shipments

Description

NBA Superstar, 2019 Finals MVP and now former Toronto Raptor All-Star Kawai Leonard recently made headlines when he signed a sponsorship deal with **Cargojet Inc** ([TSX:CJT](#)) after leading Canada's only NBA franchise to its first-ever championship basketball title in league history.

However, although Kawai's since departed Toronto to return to his home in Los Angeles, California, here's why there's still plenty of reason to be excited about this rapidly expanding air cargo shipping company.

CargoJet currently accounts for over 90% of Canada's domestic overnight air cargo

Led by a spirited and entrepreneurial workforce, the company prides itself on building lasting customer relationships while delivering exceptional customer service, which has helped expand its operations rapidly over the past 20 years to become what is now Canada's #1 cargo airline and the country's only national overnight air cargo consolidator.

Each night, its fleet is responsible for transporting over 1.5 million pounds of packaged freight, playing a key role in helping online retailers such as **Amazon.com, Inc.** meet their customers ever growing demand for timely e-commerce shipments.

And make no mistake about: the tremendous growth in e-commerce that we've seen in recent years has proven to be a huge driver of the company's success.

As it stands today, this company is the defacto enabler of Amazon Canada's Prime deliver service, capable of reaching close to 90% of the Canadian population in order to help online merchants to fulfil their next-day delivery promises.

As the [growth in e-commerce has continued to expand](#), so, too, has the company's business.

Between 2014 and 2018, revenues have grown from \$192 million to \$455 million, while adjusted EBITDAR (an unofficial non-GAAP measure) cash flows have grown from \$32 million annually to more than \$138 million in 2018.

Meanwhile, its share price has demonstrated just the same type of growth potential, rising from just \$14.45 per share in 2013 to where it stands today at \$91.27 per share — an all-time high for the company.

With room to grow...

But the best part is that management and the leadership team at CJT still feel as though the company has lots of room to grow.

E-commerce sales in Canada for 2018 sat at just 7.3% of total retail sales, which was much lower than other G-20 nations such as the United States, Germany, the U.K. and China.

The company is hoping to continue its ambitious trajectory for growth by tapping into its entrepreneurial corporate spirit, attracting and retaining the industry's best talent while continuing to build out its fleet and exploiting any adjacent revenue opportunities.

In a market that's proven to be somewhat lackluster recently, the company's stock price has been anything but, [outperforming the market](#) and already up close to 30% so far in 2019.

This is a stock that growth-oriented and momentum-savvy investors ought to be keeping a watchful eye on.

Making the world smarter, happier, and richer.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:CJT (Cargojet Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date

2025/09/07
Date Created
2019/07/13
Author
jphillips

default watermark

default watermark