



## 2 Stocks I Like for the Next Decade

### Description

The next decade will no doubt continue to provide investors with many [money-making opportunities](#). From the very exciting and groundbreaking new technologies to the new and emerging industries to the consistent and steady businesses, investors can pick and choose their own personal preference based on risk profile and personal needs.

Here are two stocks I like for the next decade: **Waste Connections** ([TSX:WCN](#))([NYSE:WCN](#)) and **CCL Industries** ([TSX:CCL.B](#)). These are stocks that I like for their consistency, longevity, and the usefulness of their respective businesses.

## The world needs these money-making industries

Waste Connections is an integrated solid waste services company that provides waste collection, disposal, and recycling services in the U.S. and Canada. It is the third-largest solid waste company in North America that has successfully embarked on a strategy to consolidate the highly fragmented solid waste industry. There will always be waste, and we will always need a way to get rid of this waste.

CCL Industries is a world leader in the packaging and label industry. From healthcare products to consumer goods, we are continually purchasing goods to make our lives better and easier. CCL is truly a [globally diversified company](#), with revenues coming out of North America (40%), Europe (30%), and emerging markets (30%). It is a story of growth through well-timed acquisitions and solid integration strategies.

## Rising to the challenge

The waste and packaging industries can be characterized as boring, run-of-the-mill businesses that do nothing to excite you or your imagination. Granted, this may be true, but looking at it from a business perspective, this is far from the truth. These companies that have risen to the challenge in these industries are benefiting from their positive characteristics. They are defensive industries that will stand the test of economic cycles as well as the test of time.

In the case of Waste Connections, this company has more than doubled its revenue from \$2 billion in 2014 to \$4.9 billion in 2018. This was accomplished mostly through acquisitions, and these acquisitions not only increased the size of the company, but they also dramatically increased the profitability of the company. Gross margins increased from 38% in 2014 to 41.7% in 2018. In the latest quarter, free cash flow of \$504 million was 19.3% of revenue, which shows the strength of this business model and continues a tradition of robust cash generation.

Importantly, this cash flow continues to be put to good use. Acquisition activity remains high, and, in fact, this year the company has already completed acquisitions that will add \$160 million in annualized revenue. This cash flow is also being used for organic growth opportunities as well as share buybacks, all of which will add shareholder value. With cash flows expected to continue to be strong in the years to come, we can see how this stock will continue to be an outperformer for shareholders.

In the case of CCL Industries, the company has also more than doubled its revenues since 2014 to \$5.16 billion. This was also accomplished mostly through acquisitions, and with synergies coming into play, the company increased gross profit margins from 26.8% in 2014 to 29% in 2018. CCL also generates strong free cash flows, and this has and will continue to flow through to shareholders through both dividends and share repurchases.

Lastly, with a diversified set of customers in sectors such as the consumer, healthcare, and automotive sectors, CCL also represents a defensive stock that has staying power.

## Foolish final thoughts

If you are looking for stocks that you can depend on in the next 10 years, Waste Connections and CCL Industries both have promising futures, as they stand to continue to benefit from their leading positions in their respective industries. Shareholders clearly stand to benefit from this, as the companies continue to rake in the cash and ultimately return it to shareholders in the form of dividends, share repurchases, and share price appreciation.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:WCN (Waste Connections)
2. TSX:CCL.B (CCL Industries)
3. TSX:WCN (Waste Connections)

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

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1. Investing

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