



## Earn 50% Yearly Returns Like Warren Buffett

### Description

**Alimentation Couche-Tard** (TSX:ATD.B) is the leader in the Canadian [convenience store industry](#). In the United States, it is the largest independent convenience store operator in terms of the number of company-operated stores. In Europe, Couche-Tard is a leader in convenience store and road transportation fuel retail in Scandinavia, the Baltics, Ireland, and Poland.

The company has a price-to-earnings ratio of 23.89, a price-to-book ratio of 4.85, and market capitalization of \$45.77 billion. Debt is opportunistically used at Couche-Tard, as evidenced by a debt-to-equity ratio of 0.99. The company has excellent performance metrics with an operating margin of 4.53% and a return on equity of 21.51%.

Couche-Tard's network comprised 9,792 convenience stores throughout North America, including 8,565 stores with road transportation fuel dispensing. The company's North American network consists of 19 business units, including 15 in the United States covering 48 states and four in Canada covering all 10 provinces. Approximately 109,000 people are employed by the company.

Couche-Tard supplies road transportation fuel under various brands to more than 1,300 locations in the United States.

In Europe, Couche-Tard operates a [broad retail network](#) across Scandinavia, Ireland, Poland, the Baltics and Russia through 10 business units. Couche-Tard's network comprised 2,706 stores, the majority of which offer road transportation fuel and convenience products, while the others are unmanned automated fuel stations, which only offer road transportation fuel.

Couche-Tard also offers other products, including aviation fuel and energy for stationary engines. Including employees at branded franchise stores, approximately 24,000 people work in the retail network, terminals and service offices across Europe.

In addition, under licensing agreements, approximately 2,250 stores are operated under the Circle K banner in 16 other countries and territories, which brings the worldwide total network to more than 16,000 stores. In Canada, the businesses are operated primarily under the Couche-Tard and Circle K brands. This market is divided into four geographic business units: Quebec West, Quebec East &

Atlantic, Central Canada, and Western Canada. In the United States of America, the stores are primarily operated under the Corner Store, Circle K, Holiday, and Kangaroo Express banners.

In 2019, the company achieved record-breaking net earnings and strong same-store merchandise revenue growth across the network. The company grew organically by initiating a pipeline of activities focused on bringing more customers to locations, enhancing offerings, and greatly expanding the Circle K brand across the globe. The company is focused on reducing debt and further strengthening the balance sheet. With the excellent cash flow and the faster-than-anticipated deleveraging plan, the company earned an impressive return on equity and created value for shareholders in 2019.

The company's strategy is to optimize global business functions while maintaining focus on regional business units that understand the needs and appetites of customers. Couche-Tard is aiming to be a leader in the digital arena, fuel and mobility and food and beverage industries. The company strives to become the world's preferred destination for convenience and fuel.

Couche-Tard has created tremendous value for shareholders over the last decade and looks poised to continue to outperform relative to the **S&P 500 Composite Index**. This is one of the great companies of our generation.

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