This Growth Stock Is Too Cheap to Ignore

Description

Rapid growth stocks rarely go on sale. But during a market crash, weird things happen.

One **TSX** stock, which has delivered long-term returns of more than 4,000%, is now too cheap to ignore. This looks like a limited-time opportunity that you don't want to miss.

This growth stock is serious

Maybe you've never heard of **Boyd Group Income Fund** (TSX:BYD.UN). I wouldn't blame you. The company doesn't make flashy products or high-tech gizmos. Rather, it focuses on one of the most boring industries to ever exist: car repair.

More than a decade ago, Boyd's founder realized that the collision repair industry was incredibly fragmented, which means few companies owned a sizeable portion of the market.

The vast majority of the collision repair industry was dominated by small, independent shops, often with a single location. This fact was the genesis of a powerful growth stock. Boyd's purpose became consolidating the industry. It was a simple recipe that it could rinse and repeat over and over.

Here's how it works.

First, Boyd would target and acquire an independent repair shop. These tiny businesses rarely had anything that resembled an exit opportunity.

The chance to sell the business at a profit is a rare event, and many operators jump at the opportunity. This ensures an attractive purchase price for Boyd as few, if any competing bids exist.

With its resources, Boyd can then renovate and improve the shop, reduce redundant costs, and plug it into its nation-wide network of collision repair shops. Acquisition costs are cheap, while a reduction in operating costs and an increase in profits occurs quickly. All Boyd needed to do was repeat this strategy.

Prepare for more growth

Since 2006, Boyd shares have increased by more than 10,000%, making it one of the most successful stocks in Canadian history.

But here's the thing: this growth stock is still worth less than $2.6 billion. Looking at the numbers, Boyd should have *years* of rapid growth ahead, all by repeating the same proven strategy.

Revenue for the North American collision repair industry is roughly $56 billion per year. Boyd's revenue last year was just $1.8 billion, even though it's one of the largest players in the space.

Even after years of consolidation, more than 80% of the market is still controlled by independent shops. More than 60% of the competition operates a single location, which gives Boyd a decade-long runway for additional acquisition growth, leveraging the same strategy that has made shareholders rich since the century began.

Boyd's consistent execution and growth have made buying opportunities incredibly rare. But the recent market crash has created a compelling entry point. In February, the stock was priced at $220. Today, it trades hands at $175. That's a 20% discount.

If you want to buy a proven, long-term growth stock at a great valuation, this looks like your chance.

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Date
2025/07/05
Date Created
2020/04/22

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