Lightspeed POS (TSX:LSPD): How Will Listing on the NYSE Affect the Stock?

Description

On Friday, September 11, **Lightspeed POS** ([TSX:LSPD](#)) officially listed on the New York Stock Exchange.

In an interview with *BNN Bloomberg* that aired the day of the listing, Lightspeed CEO Dax Dasilva explained the advantages of listing the company on the world's largest stock exchange. Dasilva has been the CEO and a director of Lightspeed since he founded the company in 2005.

Listing on the NYSE was always the plan

According to Dasilva, Lightspeed's listing on the NYSE was always the plan for the company. Originally, Lightspeed hoped to list on the exchange approximately one year after the company's March 2019 IPO on the TSX. The COVID-19 pandemic derailed those plans, and the listing was pushed to mid-September.

In discussing the delay, Dasilva said, "We've learned a lot from this pandemic and why Lightspeed's solutions are more relevant than ever. This is a great time for us to list in this market."

NYSE listing brings in more capital

Lightspeed's inclusion on the NYSE will increase available capital. The company plans to "double down" on product development and evaluating more mergers and acquisitions.

Since its founding, Lightspeed has experienced success in identifying and closing key acquisitions. In January, for example, the company reached a deal to [buy German POS company Gastrofix](#) for upwards of $164 million.

According to Dasilva, "We serve complex small- and medium-sized businesses (SMB), that have a physical presence (like retail, hospitality, and golf). We're helping them run those businesses in the physical world and helping them bridge into digital."

Lightspeed's omni-channel solutions for these businesses became even more apparent during the pandemic. "This listing allows us to invest in converting legacy businesses over to Lightspeed," noted Dasilva.

Lightspeed rebounds from March lows

Lightspeed was one of the first stocks to crash during the early days of the pandemic in March. Investors worried about the company's exposure to restaurants and hospitality. Those areas were among the hardest hit during COVID-19.

However, the company has proven to be one of the most successful to emerge from the market crash. Trading at $40.05, as of this writing, the stock is well above its March low of $10.50 per share.

Dasilva was quick to point out why he feels Lightspeed successfully weathered the crash. "What's been important for us has been the diversity of the business," Dasilva said. He continued, "As we saw restaurants close in Europe, we still had strong retail in North America and Australia."

Some businesses, like bike, home and garden, and home audio, had strong GTV (gross transaction volume) during the pandemic. Lightspeed's client diversity helped the company compensate for the businesses, which experienced declines in GTV.

In fact, some merchants who were once reluctant to wade into e-commerce were forced to transition during the pandemic. The change in behaviour not only affected merchants, but customers as well. Online shopping surged 99% in Canada and 49% in the United States during the pandemic.

Financial services

Like **Shopify**, Lightspeed offers lines of capital to some of its small business partners. "We're trying to provide all of the core needs of the business, like software tools, POS, e-commerce and loyalty, and analytics. We're also offering payments," said Dasilva.

The company recently rolled out Lightspeed Capital. Through analytics, Lightspeed can identify areas of potential investment which best suit its clients' needs.

Per Dasilva, Lightspeed is optimized to take that position — as a one-stop shop for these SMBs.

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