



This Stock Could Have Made You a Millionaire

Description

Investors are always looking for the next millionaire-making stock. Often, these same investors will turn to high-risk-, high-reward-type companies in hopes of hitting it big with at least just one of them. Sometimes, that strategy works. Other times, finding a solid company with excellent management is all you need to become a millionaire. In this article, I will discuss how much you would have now if you had invested \$10,000 into the **Constellation Software** ([TSX:CSU](#)) IPO.

What is Constellation Software?

The company specializes in [acquiring technology companies](#) and bringing these newly acquired companies to new levels of performance. The company has been around since 1995 and has completed more than 500 acquisitions throughout its history.

In order to do this successfully, the company focuses on smaller companies that are known to have excellent management. Then Constellation requires that potential acquisition candidates show strong profitability and a history of above-average growth. This strategy has shown to be very successful in the past and is the basis of growth for other companies in Canada. Examples of companies that have employed a similar strategy are **Enhouse Systems** and **WELL Health Technologies**.

\$10,000 invested in Constellation Software's IPO would be worth...

Constellation Software's IPO took place on May 19, 2006. After its first day of trading, the company's stock closed at \$18.30. Assuming you had been able to commit \$10,000, you would have been able to buy 546 shares at that price.

At the time of this writing, Constellation Software trades at \$1,517.77. That is an increase of more than 8,210%! This means that your initial investment would have turned into \$829,382! It's not quite \$1,000,000, but assuming you had invested small amount into other companies at that time, you

should have reached the \$1,000,000 mark years ago.

This is incredible, as it is very rare for a single company to return that much over a mere 14 years.

Should you buy Constellation Software now?

Constellation Software is still led by its president and chairman Mark Leonard. He originally founded the company in 1995 and worked in the venture capital business prior to that. Leonard is likely one of the best executives in Canada that you have not heard about. As long as he is part of the team at Constellation, I believe it will [continue to grow](#).

Looking at its performance in recent years, Constellation continues to impress. Over the past five years, its stock has increased more than 170%. Even looking at the one-year chart, Constellation Software stock has increased more than 20%. With the company's management team still committed to finding growth and value for shareholders, the company shows no signs of slowing down.

Foolish takeaway

Constellation Software is one of Canada's top tech companies. It is one of the featured companies in DOCKS, Canada's response to the American FAANG stocks. If you had invested \$10,000 in this company's IPO, chances are, you could be a millionaire as you read this article.

Finding exceptional growth does not require you to buy into companies that are inherently risky. Sometimes finding a company with a solid business and excellent management is all you need. Then just let the stock do its thing over time.

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