



TFSA Investors: 1 High-Upside Value Stock for 2021

Description

Cogeco ([TSX:CGO](#)) is a [diversified holding corporation](#) which operates in the communications and media sectors. The company's majority-owned subsidiary is **Cogeco Communications** ([TSX:CCA](#)) which provides residential and business customers with internet, video and telephone services through two way broadband fibre networks.

The company's media subsidiary owns and operates 23 radio stations with complementary radio formats and extensive coverage serving a wide range of audiences mainly across the province of Québec.

The company has a price to earnings ratio of 11.11, a price to book ratio of 1.91, dividend yield of 2.31% and market capitalization of \$1.52 billion. Debt is very sparingly used at Cogeco, as evidenced by a debt to equity ratio of just 1.15. The company has excellent performance metrics with an operating margin of 27.44% and a return on equity of 15.62%.

Cogeco offers a complete security suite and email solutions to internet customers, with automatic updates to protect devices. In addition to traditional video set-top boxes, Cogeco offers [advanced video services](#) through TiVo, a service platform which offers a modern user interface and advanced search functions. Cogeco has ramped up video platform offerings and improved the customers experience by including highly customizable video content, wireless enabled equipment and voice activated controls.

Cogeco's latest interface provides customers with a more user-friendly interface, and includes fully-integrated access to additional streaming apps such as YouTube. The company has added several integrated streaming apps to the lineup, including Prime video. TiVo allows customers to access content on multiple screens across smartphones, tablets and more, both in home and on-the-go.

Customers using Cogeco are provided a voice enabled remote that recognizes spoken commands and searches across live TV, recordings, and streaming services to deliver personalized results to the customer. Additionally, Cogeco's customers use a voice assistant device to issue hands-free voice commands from anywhere in a room without the need for a remote control.

Cogeco's home phone service uses internet protocol to transport digitized voice signals over the same private network that brings video and internet services to customers. All Cogeco customers are given access to international long distance plans. The company's internet services are often sold in solution packages with business phone lines, long distance, toll free, security and video services.

The company has invested heavily in fibre circuits to offer dedicated high speed connectivity and advanced voice services to larger businesses. Services over fibre are ideal for businesses with 50 or more employees and multiple locations requiring private, secure and interconnected networks that support sophisticated data and voice applications and services either on premise or in the cloud.

Cogeco opportunistically pursues large business, carrier and corporate customers located within the regional network footprint requiring wide area networks, point-to-point or point-to-multipoint data services and virtual private networks. These services are offered where Cogeco has excess fibre capacity and where the contract with the customer provides an adequate return on investment.

Cogeco is actively using fibre optic technology in combination with coaxial cable to expand capacity and improve the performance of the systems. This technology focus should richly reward long-term shareholders.

CATEGORY

1. Investing

POST TAG

1. dividend

TICKERS GLOBAL

1. TSX:CGO (Cogeco Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Tags

1. dividend

Date

2025/08/23

Date Created

2021/02/12

Author

nikhilwaterloo

default watermark

default watermark