



Boring Stocks: 1 Cheap Value Buy in May 2021

Description

GDI Integrated ([TSX:GDI](#)) operates in the North American [outsourced facility services industry](#). The company's services are used by the majority of the largest owners or managers of large property portfolios and large specialized facilities in Canada, and by an increasing number of clients in the United States. GDI is the largest outsourced cleaning services provider in Canada and one of the five largest in North America.

Diversified client base

The company serves a [diversified group of clients](#) who operate or occupy various facilities such as office buildings, educational facilities, industrial facilities, healthcare establishments, stadiums and event venues, hotels, shopping centres, distribution facilities, airports, and other transportation facilities. These facilities rely on outsourced services for all forms of facility maintenance. The company's diverse customer base and exposure to a variety of industries is further enhanced by GDI's presence in all 10 Canadian provinces and in 12 U.S. states.

Complementary service offering

The company classifies GDI's services offering into three business segments, namely the janitorial segment, technical services segment and complementary services segment. The janitorial segment handles all types of cleaning services in North America. The technical services segment consist of building system controls, repairs, and servicing provided by the company while the complementary services segment provides cleaning and sanitation product distribution and manufacturing.

Facility services is a broad category composed of various services required to operate and maintain a building or property. The outsourced facilities services industry is composed of several service businesses, including cleaning services, building system controls, repair, and servicing. GDI provides training to employees based on the category of services and applicable health and safety laws.

Significant use of new information technology

The company uses significant technology to enhance customer convenience, lower labour costs, and improve workflow and operating efficiencies. GDI continuously evaluates new technologies on the market and also develops technologies in house. The company uses several technology platforms such as GDIInspect, a cleanliness inspection and reporting tool designed to record and track the level of cleanliness of any given facility, and GDCalc, a proprietary software platform based on a database of the company current and historical facilities to optimize operating efficiencies.

Other platforms used by the company include MAINT and SARRA. MAINT is an efficient building infrastructure asset management tool to provide managers of large property portfolios with information to ensure optimal management of assets and maintenance activities. SARRA is a technology platform that captures the overall budgeting and maintenance function at a facility and that brings relevant and precise data to facility managers to ensure informed decision making in optimizing a portfolio's total cost of ownership.

In addition, the company employs information systems in Canada and the U.S. that support and integrate all key functions across GDI's operations. The company's use of standardized processes and dynamic business intelligence tools enhance GDI's ability to successfully add new locations and expand business lines into new geographic locations.

Overall, GDI operates in a wonderful business, and the stock could outperform the general market over the long term.

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Date

2025/07/03

Date Created

2021/05/02

Author

nikhilwaterloo

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