



## 1 Key Catalyst Investors in Couche-Tard Stock Need to Watch

### Description

One of the top [value stocks](#) on the TSX, **Alimentation Couche-Tard** ([TSX:ATD](#)) has been a strong performer over the past year. Alimentation Couche-Tard is one of the leading convenience store chains in North America with a significant global presence.

Couche-Tard has been on the radar of several investors seeking for value for a bunch of reasons. Currently, Couche-Tard trades at around [16 times earnings](#), despite having an impressive run throughout 2021.

Let's take a look at one key catalyst investors interested in Couche-Tard stock may want to consider right now.

### End of super-voting rights for founders

Investors may note something very interesting about Couche-Tard stock — it's no longer got that ".A" at the end of its ticker.

That's because this company recently put an end to its super-voting rights for founders.

Quebec-based Alimentation Couche-Tard is one the largest Canadian companies that had these rights. This company is managed by Alain Bouchard, the executive chairman, and three other founders. They are entitled to a special class of stock that provides them 10 votes for every share they own.

The sunset clause, placed in 1995, stated that when the youngest founder would either turn 65 or die, then this super-voting right would come to an end. With the youngest founder turning 65 on December 8, 2021, the clause now ceases to exist.

The two classes of company shares would become one, having equal voting powers. Shares of Class B have already been delisted from TSX, and only Class A shares are trading now with the same ticker.

The four founders sold a portion of their stake in the company last year, with the sunset clause coming to an end. Mr. Bouchard has sold 6.35 million voting shares for \$300 million. Mr. D'Amours sold 3.47 million shares for \$166.1 million, while Richard Fortin sold two million of his shares for \$96.4 million. Lastly, Real Plourade has sold off about 1.23 million of his shares for \$58.7 million.

## Why does this matter for investors in Couche-Tard stock?

Well, voting rights matter. When voting rights are disproportionately held by a few individuals, the amount of "say" investors have in determining the direction of a given company is diminished. Accordingly, many institutional investors won't want to touch a company with a dual-class share structure.

I like Alimentation Couche-Tard much more, following this move. Indeed, the company's robust business model, proven growth, and meaningful dividend distributions over time are other reasons to consider this stock.

However, this key catalyst is one I think investors looking for a reason to buy Couche-Tard should consider. Right now, I'm definitely in this camp, and this stock is number one on my buy list right now.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:ATD (Alimentation Couche-Tard Inc.)

### PARTNER-FEEDS

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1. chrismacdonald
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**Author**

chrismacdonald

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