2 Great Dividend Companies You Might Not Know

Description

Dividend investing is one of the most popular strategies used by Canadians. I have [previously suggested] a dividend portfolio that would have crushed the market had you invested in it five years ago. In that portfolio, I included a mix of big-name companies and some that are not well known for their dividend-paying prowess. In this article, I will provide two more dividend-paying companies that Canadian investors should take note of.

A top cable provider

When discussing cable providers in Canada, many will think of companies such as **Rogers** or **BCE**. However, **Cogeco Communications** (TSX:CCA) is one company that investors should familiarize themselves with. The company is the eighth-largest cable operator in North America. In Ontario and Quebec, the company operates under the Cogeco Connexion banner. Along the east coast of the United States, it is known as Atlantic Broadband. The company currently operates in 11 states from Maine to Florida.

It is very important for investors to note that Cogeco Communications is a subsidiary of the larger parent company **Cogeco**. This is an important distinction, because the parent company trades as a separate entity on the **Toronto Stock Exchange**.

Dividends excluded, Cogeco Communications stock has gained 49.46% over the past five years. Even after recovering almost 16% since the COVID-19 market crash this year, the company is still trading 13% less than its highs from 2019. This could be an excellent time to get into the stock.

A Canadian Dividend Aristocrat, the company has one of the longest dividend-growth streaks in Canada, standing at 16 years. Its current forward dividend yield is 2.22%, with a payout ratio of 30.04%. These metrics make the stock a very attractive dividend company.

Making the world more accessible

One of the key tenets of Foolish investing is to “make your portfolio reflect your best vision for our future.” **Savaria** (TSX:SIS) is a company that comes to mind when applying that thinking to Canadian companies. The company is on a mission to build products that help improve mobility. Some products developed by Savaria include home elevators and lifts, ceiling lifts, and adapted vehicles. The company also offers medical beds and therapeutic surfaces through one of its divisions.

Savaria is currently a small-cap stock, which indicates that it may still have a very long growth runway ahead of it. Year to date, its stock has declined by 0.64%. However, its performance over the past five years is much more impressive. Over that period, Savaria stock has increased 158.5%.

The company’s forward dividend yield stands at 3.23%, with a payout ratio of 80.56%. Although this is a higher payout ratio than normally preferred, the company has a strong history of smart capital allocation. Savaria is another Canadian Dividend Aristocrat, having increased its dividend distribution for the past seven years.

Foolish takeaway

Cogego Communications and Savaria are two companies that are not as well known in Canada. However, both companies have shown strong capital appreciation over the past five years and are great dividend companies. They were not featured in my ultimate dividend portfolio, which was published earlier this summer, but the two of them are certainly very intriguing companies worth taking a look at.

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