



Repair Shop: Behind the Scenes

A presentation to the
BetterInvesting Online Chapter
August 25, 2022

By

Scott D. Horsburgh, CFA

President, Provident Investment Management, Inc.

Co-Author of BI's Repair Shop



Disclaimer

This presentation is intended for educational purposes only. The contents of this presentation are not intended as personalized investment advice. The presenter, his firm, and any associated entities may have investments in the companies discussed.

What You Should Expect to Learn Today

- What I look for when selecting a portfolio to “repair”
- How I evaluate portfolio holdings
- Sources of free information that are available to you
- Three “secrets” that even long-time Repair Shop readers don’t know!



What I look for:

1. A club that gets many things right, but...
2. Some obvious problems that need correcting
3. A club that follows BI orthodoxy.
4. Uncommon holdings that show signs of original work.

Name	Shares Held	Cost/Sh	Total Cost	Price/Share	Market Value	Unrealized Gain/(Loss)	Percent		
Adobe Systems Inc (ADBE)	16	536.66	8,586.61	580.69	9,291.04	704.43	7.29		
Air Lease Corp (AL)	147	33.50	4,923.99	41.7	6,129.90	1,205.91	4.81		
Apple Inc (AAPL)	98	22.24	2,179.48	141.51	13,867.99	11,688.51	10.88		
Charles Schwab Corp (SCHW)	125	33.78	4,221.90	77.27	9,658.75	5,436.85	7.58		
Facebook Inc (FB)	29	130.06	3,771.75	323.77	9,389.33	5,617.58	7.37		
First American Corp (The) (FAF)	110	53.95	5,934.25	71.94	7,913.40	1,979.15	6.21		
Intuitive Surgical Inc (ISRG)	36	61.09	2,199.32	324.45	11,680.20	9,480.88	9.17		
Markel Corp (MKL)	4	994.18	3,976.73	1258.63	5,034.52	1,057.79	3.95		
Miller Industries Inc (MLR)	187	33.99	6,355.30	33.71	6,303.77	(51.53)	4.95		
Old Dominion Freight Lines Inc (ODFL)	31	91.33	2,831.21	285.77	8,858.87	6,027.66	6.95		
QUALYS INC (QLYS)	47	101.44	4,767.48	110.22	5,180.34	412.86	4.07		
Supernus Pharmaceuticals Inc (SUPN)	264	25.15	6,639.77	30.02	7,925.28	1,285.51	6.22		
Ulta Beauty Inc (ULTA)	19	269.42	5,119.04	386.92	7,351.48	2,232.44	5.77		
VISA Inc (V)	37	45.84	1,696.17	224.05	8,289.84	6,593.67	6.51		
Walt Disney Company (DIS)	48	139.24	6,683.69	173.13	8,310.24	1,626.55	6.52		
	Total		69,886.69		125,184.95	55,298.26	98.25		

Security Description	Quantity	Yield	Annual Dividend	Acquired Date	Unit Cost	Cost
ALLIANCE BERNSTEIN	100	6.63%	\$ 338.00	9/14/2021	\$ 51.00	\$ 5,100.00
AT&T	100	5.51%	\$ 208.00	11/21/2016	\$ 37.67	\$ 3,774.00
AT&T	50	4.95%	\$ 104.00	2/27/2017	\$ 41.89	\$ 2,101.37
AT&T	100	5.36%	\$ 208.00	6/5/2017	\$ 38.77	\$ 3,883.95
AT&T	50	5.62%	\$ 104.00	2/26/2018	\$ 36.88	\$ 1,850.95
AT&T	50	6.22%	\$ 104.00	4/30/2018	\$ 33.28	\$ 1,670.95
AT&T	150	6.41%	\$ 312.00	6/20/2018	\$ 32.41	\$ 4,869.26
AT&T	75	6.47%	\$ 156.00	8/6/2018	\$ 32.04	\$ 2,410.29
AT&T	50	6.94%	\$ 104.00	11/21/2018	\$ 29.83	\$ 1,498.45
AT&T	200	7.15%	\$ 286.00	11/16/2020	\$ 29.09	\$ 5,818.00
VODAPHONE	300	6.22%	\$ 318.00	6/28/2021	\$ 17.04	\$ 5,110.50
FORD	200	0.00%	\$ -	6/8/2021	\$ 7.00	\$ 1,400.00
DRIVE SHACK	300	0.00%	\$ -	6/28/2021	\$ 3.44	\$ 1,030.50
CVS	200	3.08%	\$ 400.00	8/6/2018	\$ 64.82	\$ 12,970.73
CVS	50	2.65%	\$ 100.00	11/21/2018	\$ 75.39	\$ 3,776.20
CVS	100	3.58%	\$ 200.00	3/25/2019	\$ 55.80	\$ 5,586.95
ALTRIA GROUP	100	16.83%	\$ 360.00	7/19/2010	\$ 21.39	\$ 2,139.00
ALTRIA GROUP	100	14.51%	\$ 360.00	1/3/2012	\$ 24.81	\$ 2,481.00
ALTRIA GROUP	50	12.94%	\$ 180.00	11/29/2011	\$ 27.81	\$ 1,390.50

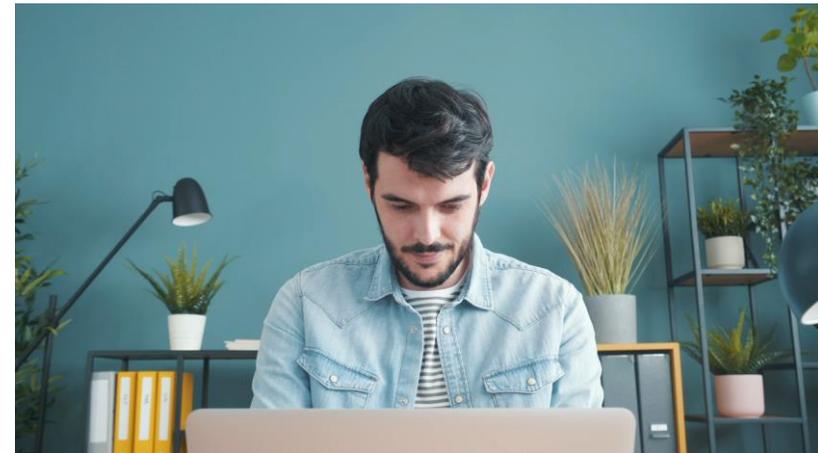
The Process

1. Populate a spreadsheet with key data

- Cost and price
- Forecasted growth rate
- Valuation
- Sector

2. Aggregate the portfolio by Sector for analysis.

3. Then the real fun begins!



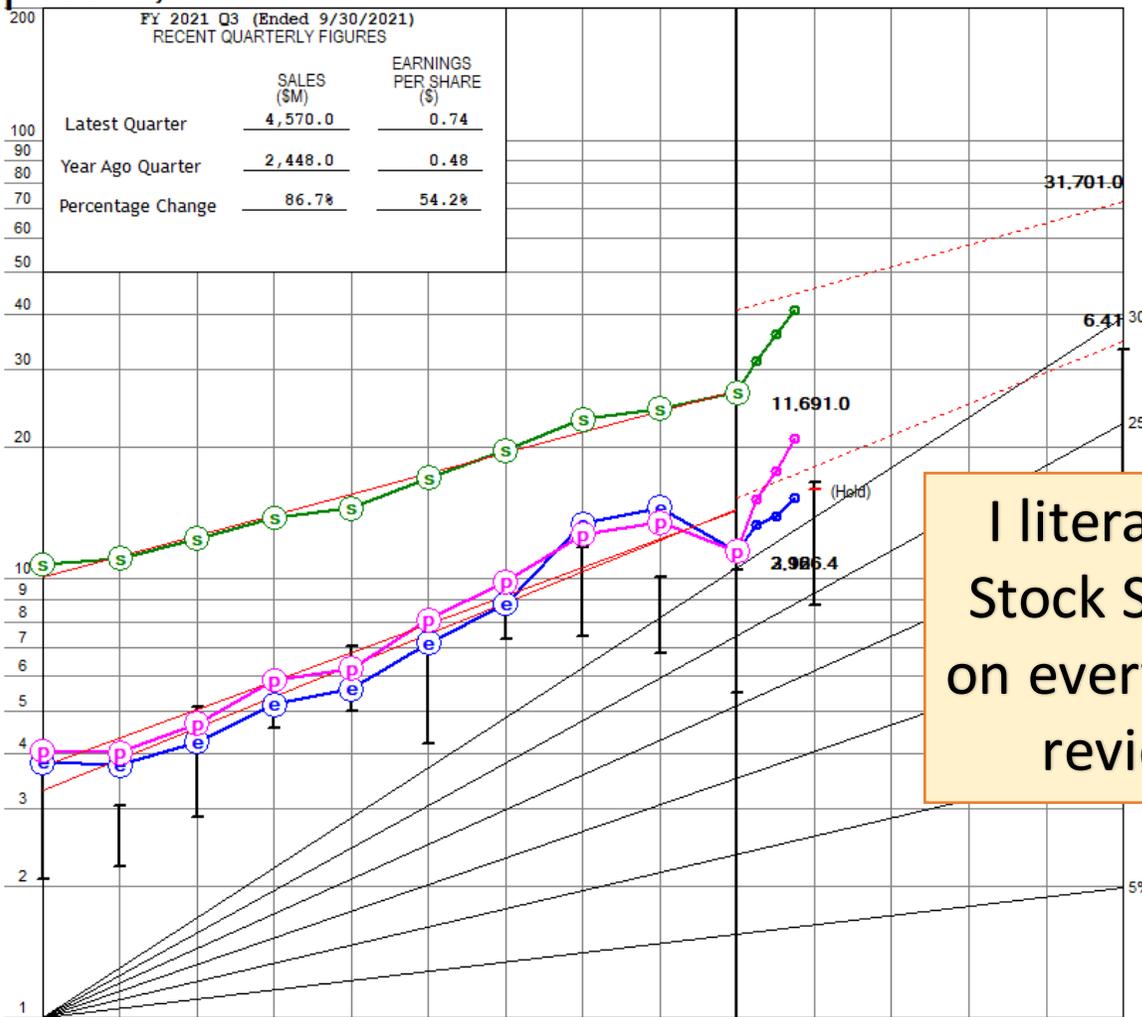


Stock Study

Company	Charles Schwab	Price Date	11/11/21
Study by	SDH	Data Date	11/11/21
Sector	Financial Services	Last Judgment	11/12/21
Industry	Capital Markets	Data Source	StkCntrl
Preferred(\$M)	9,954.0	Reference	Morningsta
Diluted(M Shares)	1,898.0	% Insiders	0.2
Total Debt(\$M)	22,530.0	% Institutions	59.2
% Tot Debt to Tot Cap	38.4	Quality	3.2 (Take Stock)

1 Growth Analysis

NYS: SCHW



I literally do Stock Studies on everything I review!

- (1) Historical Sales Growth **11.5%**
- (2) Estimated Future Sales Growth **12.0%**
- (5) Sales Growth R **0.98**
- (3) Historical Earnings Per Share Growth **17.8%**
- (4) Estimated Future Earnings Per Share Growth **18.0%**
- (6) Earnings Per Share Growth R **0.92**

2 QUALITY ANALYSIS

Company Charles Schwab (SCHW) 11/11/21

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	5 YEAR AVG.	TREND UP/DOWN
A % Pre-tax Profit on Sales	29.4	28.2	29.6	33.3	33.7	37.0	39.2	42.7	43.0	33.9	39.2	DOWN
B % ROE (Beginning Yr)		11.5	11.4	13.4	12.7	14.7	16.2	21.6	19.7	14.7	17.4	DOWN
C % LT Debt to Equity	27.0	18.7	20.8	17.9	24.5	21.6	31.0	37.3	39.0	68.5	39.5	UP

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) **81.40 (29.1)** 52-WEEK HIGH (P/E) **84.49 (30.2)** 52-WEEK LOW (P/E) **44.26 (15.8)**

Fiscal Year	High Price	Low Price	EPS	High PE	Low PE	Dividend	% Payout	% High Yield
1 2016	40.6	21.5	1.31	31.0	16.4	0.270	20.6	1.3
2 2017	52.5	37.2	1.61	32.6	23.1	0.320	19.9	0.9
3 2018	60.2	37.8	2.45	24.6	15.4	0.460	18.8	1.2
4 2019	51.6	34.6	2.67	19.3	13.0	0.680	25.5	2.0
5 2020	53.3	28.0	2.12	25.1	13.2	0.720	34.0	2.6
6 AVERAGE		31.8		26.5	14.5		23.8	
AVERAGE P/E RATIO	21.4	20.5	PROJECTED P/E RATIO	24.6	TTM EPS	2.80		
CURRENT P/E RATIO	29.1		PEG RATIO	1.4	FTM EPS	3.30		
RELATIVE VALUE	136.3%	142.0%	PROJ. RELATIVE VALUE	115.4%	120.2%	AVG TTM + FTM EPS	3.05	

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS - NEXT 5 YEARS
 Selected High P/E **26.5** X Estimated High Earnings/Share **6.41** = Forecast High Price \$ **169.9**

B FUTURE LOW PRICE ANALYSIS - NEXT 5 YEARS
 (a) Sel. Low P/E **14.5** X Estimated Low Earnings/Share **2.63** = \$ **38.1**
 (b) Average 5-Year Low Price = (as adj.) **31.8**
 (c) Recent Severe Low Price = **28.0**
 (d) Price Dividend Will Support = Present Divd. + High Yield = **0.72 + 0.026 = 28.0**
 Selected Estimated Low Price = \$ **38.1**

PRICE RANGES
 Forecast High Price **169.9** - Estimated Low Price **38.1** = Range **131.8** 25% of Range = **32.9**

BUY (Lower 25% of Range) = **38.1** to **71.0**
 MAYBE (Middle 50% of Range) = **71.0** to **137.0**
 SELL (Upper 25% of Range) = **137.0** to **169.9**

Current Price **81.40** is in the **Hold** Range

REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)
 (Forecast High Price **169.9** - Current Price **81.40**) + (Current Price **81.40** - Estimated Low Price **38.1**) = **2.0** To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD
 Present Full Year's Dividend \$ **0.720** + Current Price of Stock \$ **81.40** = **0.9%** Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E
 Avg. % Payout **23.8** + Forecast High P/E **26.5** = Avg. Yield **0.9**

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E
 Average Yield **0.9** % + Annual Appreciation **15.9** % = Compound Annual Total Return **16.8** %

SCHWAB (CHARLES) NDQ-SCHW				RECENT PRICE	64.15	P/E RATIO	21.0 (Trailing: 23.2 Median: 24.0)	RELATIVE P/E RATIO	1.32	DIV'D YLD	1.2%	VALUE LINE								
TIMELINESS 1 Raised 3/19/21	High: 19.7 15.5 26.1 31.0 35.7 40.6 52.5 60.2 51.6 53.3 86.4 96.2	Low: 10.6 11.3 14.6 23.3 25.4 21.5 37.2 37.8 34.6 28.0 50.8 59.3										Target Price Range								
SAFETY 3 Raised 8/8/97	LEGENDS — 2.5 x Book value p sh ... Relative Price Strength Options: Yes Shaded area indicates recession											2025	2026	2027						
TECHNICAL 2 Lowered 7/1/22																				
BETA 1.15 (1.00 = Market)																				
18-Month Target Price Range																				
Low-High Midpoint (% to Mid)																				
\$68-\$145 \$107 (65%)																				
2025-27 PROJECTIONS																				
High Price Gain Ann'l Total																				
Low 120 80 (+85%) 18%																				
80 (+25%) 7%																				
Institutional Decisions																				
3Q2021 4Q2021 1Q2022																				
to Buy 591 767 728																				
to Sell 569 537 669																				
Hld's(000) 130431713265961324084																				
Percent shares traded 24 16 8																				
												% TOT. RETURN 4/22								
												1 yr. -5.1 -7.2								
												3 yr. 50.4 37.2								
												5 yr. 80.5 58.7								
												© VALUE LINE PUB. LLC 25-27								
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
3.41	4.30	4.45	3.61	3.53	3.69	3.82	4.19	4.62	4.83	5.61	6.41	7.60	8.34	6.49	10.20	11.05	12.50	Revenues per sh	12.75	
16.3%	15.1%	17.7%	21.0%	18.1%	18.8%	22.7%	21.9%	20.4%	12.8%	10.4%	6.9%	6.7%	5.1%	11.6%	11.2%	11.0%	11.0%	Commissions	20.0%	
1.9%	2.1%	3.2%	2.6%	1.4%	1.3%	1.0%	.9%	.8%	.6%	.6%	.7%	.6%	.4%	.2%	.5%	.5%	.5%	Principal Trans	.5%	
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	Nil	Nil	Invest Banking	Nil	
49.0%	45.4%	37.0%	34.0%	40.5%	36.7%	36.1%	36.4%	37.5%	39.5%	44.4%	49.6%	57.4%	60.7%	52.2%	44.4%	49.0%	50.0%	Interest Income	44.5%	
32.8%	37.4%	42.1%	42.4%	40.0%	43.2%	40.2%	40.8%	41.3%	47.1%	44.6%	42.9%	35.2%	33.6%	35.8%	44.2%	49.5%	38.5%	Other E	35.0%	
.69	.92	1.06	.68	.47	.70	.69	.78	.95	1.03	1.31	1.64	2.45	2.67	2.45	2.83	3.05	3.50	Earnings per sh A	4.50	
.14	.20	.22	.24	.24	.24	.24	.24	.24	.24	.27	.32	.46	.68	.72	.72	.80	.80	Div'ds Decl'd per sh B	1.25	
3.96	3.22	3.51	4.37	5.18	6.07	6.83	7.33	8.33	9.03	10.23	11.69	13.42	14.74	26.83	25.53	22.10	24.45	Book Value per sh	38.85	
1265.2	1160.8	1157.1	1162.1	1202.4	1271.2	1277.5	1296.9	1310.7	1320.3	1332.8	1345.3	1332.4	1285.7	1801.3	1813.9	1825.0	1840.0	Common Shs Outst'g C	1800.0	
24.4	22.5	19.5	24.9	34.9	21.8	19.1	26.0	28.7	30.2	22.9	25.9	20.9	16.3	16.1	25.0	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio	22.0	
1.32	1.19	1.17	1.66	2.22	1.37	1.22	1.46	1.51	1.52	1.20	1.30	1.13	.87	.83	1.37			Relative P/E Ratio	1.20	
.8%	1.0%	1.1%	1.4%	1.5%	1.6%	1.8%	1.2%	.9%	.8%	.9%	.8%	.9%	1.6%	1.8%	1.0%			Avg Ann'l Div'd Yield	1.3%	
CAPITAL STRUCTURE as of 3/31/22				4883.0	5435.0	6058.0	6380.0	7478.0	8618.0	10132	10721	11691	18520	20160	23000	Total Revenues (\$mill) D	23000			
Total Debt \$26107 mill. Due in 5 Yrs \$8700 mill.				928.0	1071.0	1321.0	1447.0	1889.0	2400.0	3507.0	3704.0	3777.0	5855.0	6125	7000	Net Profit (\$mill)	8215			
LT Debt \$21873 mill. LT Interest \$ 520.0 mill.				36.0%	37.2%	37.5%	36.5%	36.0%	34.2%	23.1%	23.6%	23.7%	24.1%	25.0%	25.0%	Income Tax Rate	24.0%			
(31% of Cap'l)				19.0%	19.7%	21.8%	22.7%	25.3%	27.8%	34.6%	34.5%	32.3%	32.1%	30.6%	30.4%	Net Profit Margin	32.8%			
Leases, Uncapitalized Annual rentals \$191 mill.				1632.0	1903.0	1899.0	2890.0	2876.0	4753.0	6878.0	7430.0	13632	18914	22000	24000	Long-Term Debt	25000			
No Defined Pension Benefit Plan				9589.0	10381	11803	13402	16421	18525	20670	21745	56060	56261	52000	55700	Shr. Equity (\$mill)	69900			
Pfd Stock \$10694 mill. Pfd Dividend \$560.0 mill.				8.9%	9.1%	10.0%	9.2%	10.2%	10.7%	13.2%	13.1%	5.6%	8.0%	8.5%	9.0%	Return on Total Cap'l	9.5%			
1,834,000 shs. (14% of Cap'l)				9.7%	10.3%	11.2%	10.8%	11.5%	13.0%	17.0%	17.0%	6.7%	10.4%	12.0%	12.5%	Return on Shr. Equity	11.0%			
Common Stock 1,817,057,306 shs.				6.8%	7.4%	8.7%	8.9%	10.3%	11.5%	15.2%	14.0%	5.2%	8.7%	8.0%	9.5%	Retained to Com Eq	8.0%			
as of 4/29/22				36%	34%	28%	27%	26%	25%	22%	29%	34%	31%	26%	23%	All Div'ds to Net Prof	28%			
MARKET CAP: \$117 billion (Large Cap)																				
FINANCIAL POSITION 2020 2021 3/31/22																				

Secret #1:
Yes, I do use
Valueline!

Acquired TD
Ameritrade
11/20

SCHWAB (CHARLES) NDQ-SCHW				RECENT PRICE	64.15	P/E RATIO	21.0	(Trailing: 23.2 Median: 24.0)	RELATIVE P/E RATIO	1.32	DIV'D YLD	1.2%	VALUE LINE						
TIMELINESS 1	Raised 3/19/21	High: 19.7	15.5	26.1	31.0	35.7	40.6	52.5	60.2	51.6	53.3	86.4	96.2	Target Price Range 2025 2026 2027					
SAFETY 3	Raised 8/8/97	Low: 10.6	11.3	14.6	23.3	25.4	21.5	37.2	37.8	34.6	28.0	50.8	59.3						
TECHNICAL 2	Lowered 7/1/22	LEGENDS — 2.5 x Book value p sh ···· Relative Price Strength Options: Yes Shaded area indicates recession																	
BETA 1.15	(1.00 = Market)	18-Month Target Price Range Low-High Midpoint (% to Mid) \$68-\$145 \$107 (65%)																	
2025-27 PROJECTIONS Price Ann'l Total High 120 Gain (+85%) Return 18% Low 80 (+25%) 7%																			
Institutional Decisions 3Q2021 4Q2021 1Q2022 to Buy 591 767 728 to Sell 569 537 669 Hld's(000) 1304317 1326596 1324084 Percent shares traded 24 16 8																			
% TOT. RETURN 4/22 THIS STOCK VL ARITH. INDEX 1 yr. -5.1 -7.2 3 yr. 50.4 37.2 5 yr. 80.5 58.7																			
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
3.41	4.30	4.45	3.61	3.53	3.69	3.82	4.19	4.62	4.83	5.61	6.41	7.60	8.34	6.49	10.20	11.05	12.50	Revenues per sh	12.75
16.3%	15.1%	17.7%	21.0%	18.1%	18.8%	22.7%	21.9%	20.4%	12.8%	10.4%	6.9%	6.7%	5.1%	11.6%	11.2%	11.0%	11.0%	Commissions	20.0%
1.9%	2.1%	3.2%	2.6%	1.4%	1.3%	1.0%	.9%	.8%	.6%	.6%	.6%	.7%	.6%	.4%	.2%	.5%	.5%	Principal Trans	.5%
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	Nil	Nil	Invest Banking	Nil
49.0%	45.4%	37.0%	34.0%	40.5%	36.7%	36.1%	36.4%	37.5%	39.5%	44.4%	49.6%	57.4%	60.7%	52.2%	44.4%	49.0%	50.0%	Interest Income	44.5%
32.8%	37.4%	42.1%	42.4%	40.0%	43.2%	40.2%	40.8%	41.3%	47.1%	44.8%	42.9%	35.2%	33.6%	35.8%	44.2%	49.5%	38.5%	Other E	35.0%
.69	.92	1.06	.68	.47	.70	.69	.78	.95	1.03	1.31	1.64	2.45	2.67	2.45	2.83	3.05	3.50	Earnings per sh A	4.50
.14	.20	.22	.24	.24	.24	.24	.24	.24	.24	.27	.32	.46	.68	.72	.72	.80	.80	Div'ds Decl'd per sh B	1.25
3.96	3.22	3.51	4.37	5.18	6.07	6.83	7.33	8.33	9.03	10.23	11.69	13.42	14.74	26.83	25.53	22.10	24.45	Book Value per sh	38.85
1265.2	1160.8	1157.1	1162.1	1202.4	1271.2	1277.5	1296.9	1310.7	1320.3	1332.8	1345.3	1332.4	1285.7	1801.3	1813.9	1825.0	1840.0	Common Shs Outst'g C	1800.0
24.4	22.5	19.5	24.9	34.9	21.8	19.1	26.0	28.7	30.2	22.9	25.9	20.9	16.3	16.1	25.0	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	22.0
1.32	1.19	1.17	1.66	2.22	1.37	1.22	1.46	1.51	1.52	1.20	1.30	1.13	.87	.83	1.37			Relative P/E Ratio	1.20
.8%	1.0%	1.1%	1.4%	1.5%	1.6%	1.8%	1.2%	.9%	.8%	.9%	.8%	.9%	1.6%	1.8%	1.0%			Avg Ann'l Div'd Yield	1.3%
CAPITAL STRUCTURE as of 3/31/22				4883.0	5435.0	6058.0	6380.0	7478.0	8618.0	10132	10721	11691	18520	20160	23000	Total Revenues (\$mill) D		23000	
Total Debt \$26107 mill. Due in 5 Yrs \$8700 mill.				928.0	1071.0	1321.0	1447.0	1889.0	2400.0	3507.0	3704.0	3777.0	5855.0	6125	7000	Net Profit (\$mill)		8215	
LT Debt \$21873 mill. LT Interest \$ 520.0 mill.				36.0%	37.2%	37.5%	36.5%	36.9%	34.2%	23.1%	23.6%	23.7%	24.1%	25.0%	25.0%	Income Tax Rate		24.0%	
(31% of Cap'l)				19.0%	19.7%	21.8%	22.7%	25.3%	27.8%	34.6%	34.5%	32.3%	32.1%	30.6%	30.4%	Net Profit Margin		32.8%	
Leases, Uncapitalized Annual rentals \$191 mill.				1632.0	1903.0	1899.0	2890.0	2876.0	4753.0	6878.0	7430.0	13632	18914	22000	24000	Long-Term Debt		25000	
No Defined Pension Benefit Plan				9589.0	10381	11803	13402	16421	18525	20670	21745	56060	56261	52000	55700	Shr. Equity (\$mill)		69900	
Pfd Stock \$10694 mill. Pfd Dividend \$560.0 mill.				8.9%	9.1%	10.0%	9.2%	10.2%	10.7%	13.2%	13.1%	5.6%	8.0%	8.5%	9.0%	Return on Total Cap'l		9.5%	
1,834,000 shs. (14% of Cap'l)				9.7%	10.3%	11.2%	10.8%	11.5%	13.0%	17.0%	17.0%	6.7%	10.4%	12.0%	12.5%	Return on Shr. Equity		11.0%	
Common Stock 1,817,057,306 shs.				6.8%	7.4%	8.7%	8.9%	10.3%	11.5%	15.2%	14.0%	5.2%	8.7%	8.0%	9.5%	Retained to Com Eq		8.0%	
as of 4/29/22				36%	34%	28%	27%	26%	25%	22%	29%	34%	31%	26%	23%	All Div'ds to Net Prof		28%	
MARKET CAP: \$117 billion (Large Cap)																			
FINANCIAL POSITION				2020	2021	3/31/22													

Interest income declined when interest rates plummeted but should rise back now that rates are up again.



Stock Study

Company	Intuitive Surgical	Price Date	11/12/21
Study by	SDH	Data Date	11/12/21
Sector	Healthcare	Last Judgment	11/13/21
Industry	Medical Instruments & Suppl	Data Source	StkCntn1
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	366.8	% Insiders	0.1
Total Debt(\$M)	0.0	% Institutions	34.0
% Tot Debt to Tot Cap	0.0	Quality	2.6 (Take Stock)

2 QUALITY ANALYSIS

Company Intuitive Surgical (ISRG) 11/12/21

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	5 YEAR AVG.	TREND UP/DOWN
A % Pre-tax Profit on Sales	40.4	41.0	38.4	25.8	31.8	36.3	35.0	34.4	33.5	27.5	33.4	DOWN
B % ROE (Beginning Yr)		26.5	18.8	13.0	18.4	17.0	11.9	21.5	21.0	13.2	16.9	DOWN
C % LT Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	EVEN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 354.93 (76.6) 52-WEEK HIGH (P/E) 369.69 (79.8) 52-WEEK LOW (P/E) 227.47 (49.1)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2016	80.8	55.8	2.08	38.8	26.8	0.000	0.0	0.0
2 2017	135.0	69.4	1.89	71.4	36.7	0.000	0.0	0.0
3 2018	191.9	121.7	3.16	60.7	38.5	0.000	0.0	0.0
4 2019	200.5	148.8	3.85	52.1	38.7	0.000	0.0	0.0
5 2020	275.6	120.2	2.94	93.7	40.9	0.000	0.0	0.0
6 AVERAGE		103.2			50.5			0.0
AVERAGE P/E RATIO	49.8	43.7	PROJECTED P/E RATIO	66.6	TTM EPS	4.63		
CURRENT P/E RATIO	76.6	PEG RATIO	4.4	FTM EPS	5.33			
RELATIVE VALUE	153.8%	120.5%	PROJ. RELATIVE VALUE	133.7%	153.5%	AVG TTM + FTM EPS	4.98	

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS - NEXT 5 YEARS
 Selected High P/E: 50.5 X Estimated High Earnings/Share: 9.32 = Forecast High Price \$ 470.7

B FUTURE LOW PRICE ANALYSIS - NEXT 5 YEARS
 (a) Selected Low P/E: 36.3 X Estimated Low Earnings/Share: 2.94 = \$ 106.6
 (b) Average 5-Year Low Price = 103.2
 (c) Recent Severe Low Price = 120.2
 (d) Price Dividend Will Support = Present Divid. + High Yield = 0.00 + 0.000 = 0.0
 Selected Estimated Low Price = \$ 227.5

C PRICE RANGES
 Forecast High Price 470.7 - Estimated Low Price 227.5 = Range 243.2 25% of Range = 60.8

BUY (Lower 25% of Range) = 227.5 to 288.3
 MAYBE (Middle 50% of Range) = 288.3 to 409.9
 SELL (Upper 25% of Range) = 409.9 to 470.7

Current Price 354.93 is in the Hold Range

D REWARD ANALYSIS (Potential Gain vs. Risk of Loss)
 (Forecast High Price - Current Price) / (Current Price - Estimated Low Price) = (470.7 - 354.93) / (354.93 - 227.5) = 0.9 To 1

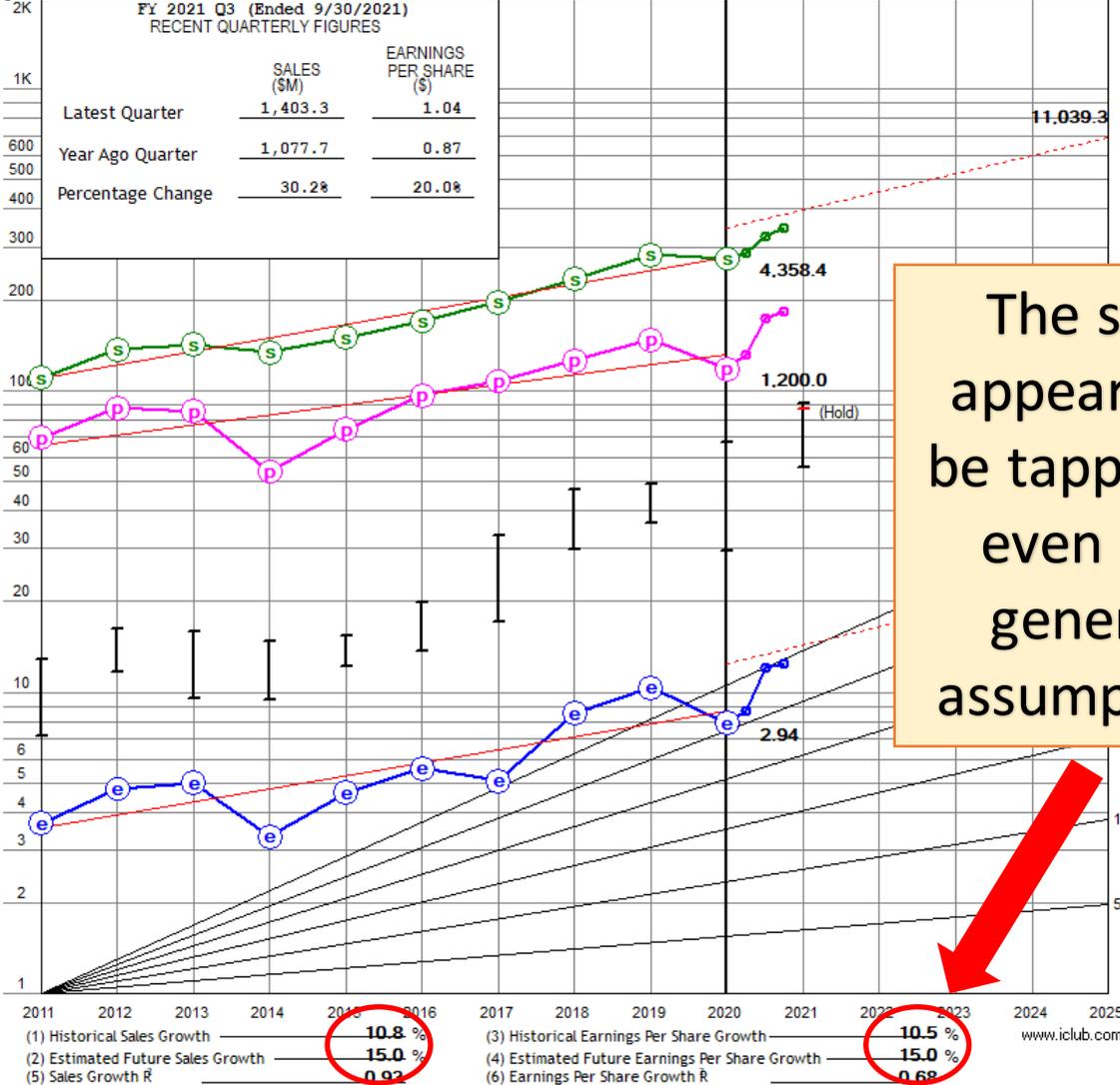
5 TOTAL RETURN ANALYSIS

A CURRENT YIELD
 Present Full Year's Dividend \$ 0.000 + Current Price of 354.93 = 0.0% Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E
 Avg. % Payout 0.0 + Forecast High P/E 50.5 = 0.0

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E
 Average Yield 0.0 + Annual Appreciation 5.8% = Compound Annual Total Return 5.8%

1 Growth Analysis



The stock appeared to be tapped out even with generous assumptions!

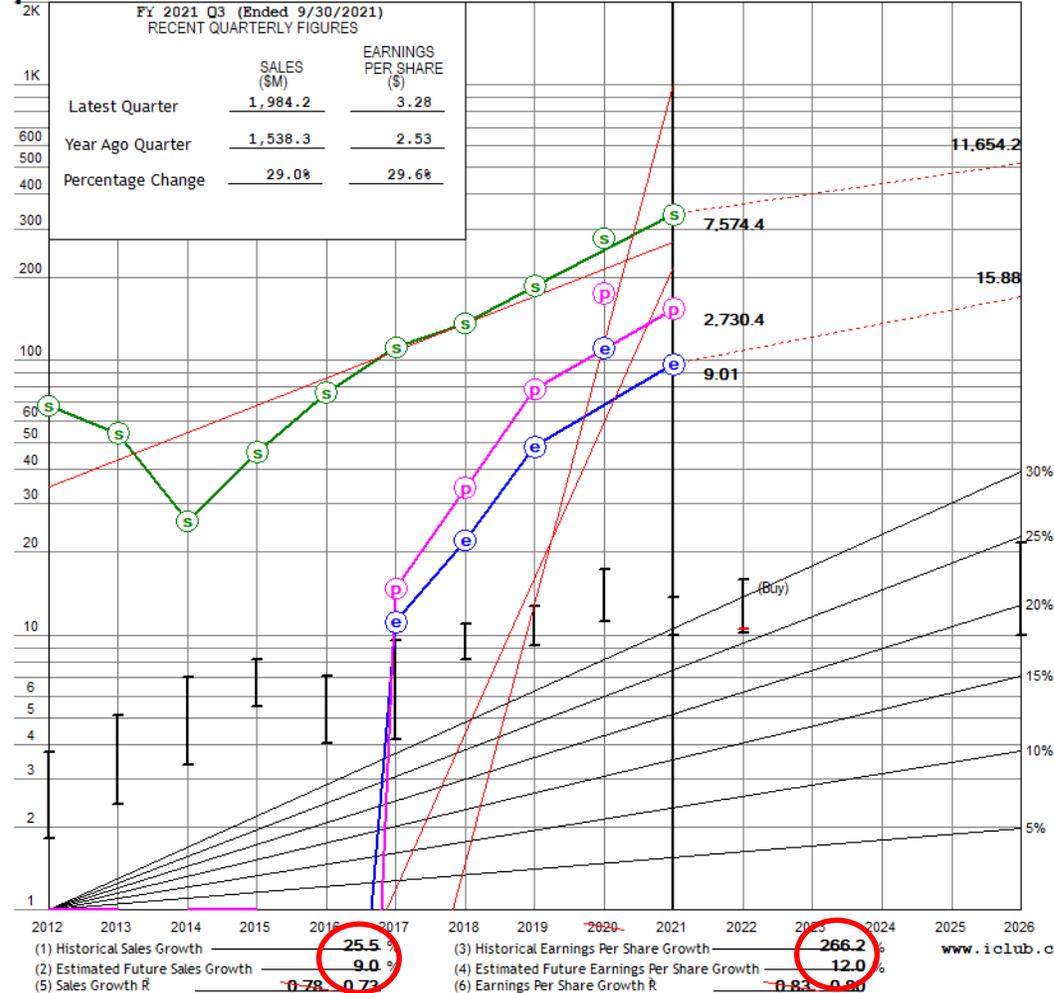
When a Stock Looks Like a Sell, I Offer Challengers



Stock Study

Company	Vertex Pharmaceuticals I..	Price Date	09/21/21
Study by	Scott Hors	Data Date	05/25/22
Sector	Healthcare	Last Judgment	05/26/22
Industry	Biotechnology	Data Source	StkCntrl
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	257.9	% Insiders	1.0
Total Debt(\$M)	872.5	% Institutions	100.9
% Tot Debt to Tot Cap	8.4	Quality	2.6 (Take Stock)

1 Growth Analysis



2 QUALITY ANALYSIS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	5 YEAR AVG.	TREND UP/DOWN
A % Pre-tax Profit on Sales	-7.0	-36.7	-127.2	-53.9	-6.6	10.6	20.1	33.5	50.2	36.0	30.1	UP
B % ROE (Beginning Yr)		-43.1	-58.0	-48.3	-12.3	25.3	29.1	39.6	50.7	28.8	34.7	DOWN
C % LT Debt to Equity	70.1	40.2	70.5	81.9	51.8	32.6	19.7	11.8	10.8	9.1	16.8	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 185.67 (22.3) 52-WEEK HIGH (P/E) 280.99 (33.7) 52-WEEK LOW (P/E) 180.02 (21.6)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2017	167.9	73.3	1.04	161.4	70.5	0.000	0.0	0.0
2 2018	193.8	144.1	2.06	94.1	70.0	0.000	0.0	0.0
3 2019	225.7	161.0	4.51	50.0	35.7	0.000	0.0	0.0
4 2020	306.1	197.5	10.29	29.7	19.2	0.000	0.0	0.0
5 2021	243.0	176.4	9.01	27.0	19.6	0.000	0.0	0.0
6 AVERAGE		151.5		72.4	19.4		0.0	

AVERAGE P/E RATIO 27.7 45.9 PROJECTED P/E RATIO 19.9 TTM EPS 8.33
 CURRENT P/E RATIO 22.3 PEG RATIO 1.7 FTM EPS 9.33
 RELATIVE VALUE 38.8 48.2 PROJ. RELATIVE VALUE 34.8 91.7% AVG TTM + FTM EPS 8.83

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS - NEXT 5 YEARS
 Selected High P/E 72.4 X Estimated High Earnings/Share 24.0 = Forecast High Price \$ 15.88 = Forecast High Price \$ 381.1

B FUTURE LOW PRICE ANALYSIS - NEXT 5 YEARS
 (a) Sel. Low P/E 19.4 X Estimated Low Earnings/Share 9.01 = \$ 184.3
 (as adj.)
 (b) Average 5-Year Low Price = 150.5
 (c) Recent Severe Low Price = 176.4
 (d) Price Dividend Will Support = Present Divd. + High Yield = 0.00 + 0.000 = 0.0
 Selected Estimated Low Price = 176.4

C PRICE RANGES
 Forecast High Price 381.1 - Estimated Low Price 176.4 = Range 204.7 25% of Range = 51.2
 BUY (Lower 25% of Range) = 176.4 to 227.6
 MAYBE (Middle 50% of Range) = 227.6 to 329.9
 SELL (Upper 25% of Range) = 329.9 to 381.1
 Current Price 185.67 is in the Buy Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)
 (Forecast High Price 381.1 - Current Price 185.67) ÷ (Current Price 185.67 - Estimated Low Price 176.4) = 21.0 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD
 Present Full Year's Dividend \$ 0.000 ÷ Current Price of Stock \$ 185.67 = 0.0% Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E
 Avg. % Payout 0.0 ÷ Forecast High P/E 24.0 = Avg. Yield 0.0

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E
 Average Yield 0.0 % + Annual Appreciation 15.5 % = Compound Annual Total Return 15.5 %



Stock Study

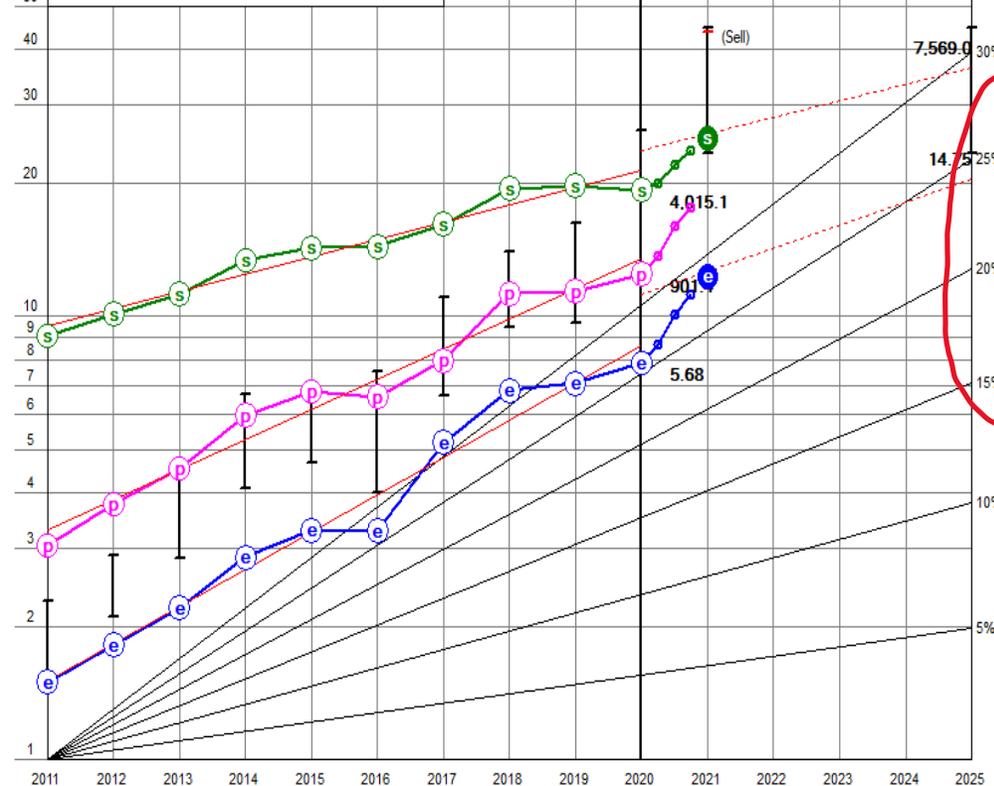
Company	Old Dominion Freight Lin..	Price Date	11/04/21
Study by	SDH	Data Date	05/26/22
Sector	Industrials	Last Judgment	08/19/22
Industry	Trucking	Data Source	StkCntrl
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	115.2	% Insiders	0.3
Total Debt(\$M)	100.0	% Institutions	86.7
% Tot Debt to Tot Cap	3.1	Quality	6.3 (Take Stock)

2 QUALITY ANALYSIS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	5 YEAR AVG.	TREND UP/DOWN
A % Pre-tax Profit on Sales	11.7	12.9	14.1	15.5	16.5	16.0	17.1	20.2	20.1	22.4	19.2	UP
B % ROE (Beginning Yr)		20.8	20.1	22.5	21.5	18.2	25.9	29.1	23.8	23.3	24.1	DOWN
C % LT Debt to Equity	28.3	19.6	13.1	8.4	6.4	5.8	2.2	1.7	1.5	3.1	2.9	UP

1 Growth Analysis

	SALES (\$M)	EARNINGS PER SHARE (\$)
Latest Quarter	1,400.0	2.47
Year Ago Quarter	1,058.2	1.71
Percentage Change	32.3%	44.4%



(1) Historical Sales Growth	9.4%	(3) Historical Earnings Per Share Growth	21.3%
(2) Estimated Future Sales Growth	9.0%	(4) Estimated Future Earnings Per Share Growth	12.8%
(5) Sales Growth R	0.96	(6) Earnings Per Share Growth R	0.98

The club has also invested in **Old Dominion Freight Line (ODFL)**, perhaps the best-run trucking company. A lot of truck drivers retired in the early stages of the pandemic and transportation services have become quite lucrative for those who can fulfill the demand. Old Dominion is leading the way and the club has almost quintupled its investment in the company. Trucking is still a commodity and even though Old Dominion runs the best trucking firm, at some point results are going to normalize. I rolled the current hot streak forward another two quarters and then assumed 9% growth in both sales and EPS. This approximates its long-term revenue growth but leaps off the current hot streak. I assumed no further margin expansion after margins have widened about 5 percentage points from their historical highs. These are quite rosy assumptions on my part. Applying prepandemic P/E ratios to my five-year earnings projection produces a price approximately where it is now. **By my analysis, Old Dominion has given us all it has and cashing in one's chips seems like a logical move.**

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

Fiscal Year	High Price	Low Price	EPS	High PE	Low PE	Dividend	% Payout	% High Yield
1 2016	61.1	32.6	2.37	25.7	13.7	0.000	0.0	0.0
2 2017	89.4	53.7	3.75	23.8	14.3	0.267	7.1	0.5
3 2018	113.5	76.7	4.92	23.1	15.6	0.347	7.1	0.5
4 2019	131.5	78.7	5.11	25.7	15.4	0.453	8.9	0.6
5 2020	213.7	105.8	5.68	37.6	18.6	0.603	10.6	0.6
6 AVERAGE		69.5		24.6	14.8		8.4	
AVERAGE P/E RATIO	21.4	19.7	PROJECTED P/E RATIO	38.9	TTM EPS	8.09		
CURRENT P/E RATIO	43.9	PEG RATIO	3.1	FTM EPS	9.12			
RELATIVE VALUE	205.6%	222.8%	PROJ. RELATIVE VALUE	182.4%	197.7%	AVG TTM + FTM EPS	8.61	

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS - NEXT 5 YEARS
 Selected High P/E: 24.6 X Estimated High Earnings/Share: 14.75 = Forecast High Price \$: 362.9

B FUTURE LOW PRICE ANALYSIS - NEXT 5 YEARS
 (a) Sel. Low P/E: 14.8 X Estimated Low Earnings/Share: 5.68 = \$: 119.7
 (b) Average 5-year Low Price = (as adj.): 69.5
 (c) Recent Selected Low Price = 78.7
 (d) Price Dividend Will Support = Present Divid. + High Yield = 1.20 + 0.006 = 208.5
 Selected Estimated Low Price = \$: 189.5

C PRICE RANGE
 Forecast High Price: 362.9 - Estimated Low Price: 189.5 = Range: 173.5 25% of Range = 43.4
 BUY (Lower 25% of Range) = 189.5 to 232.9
 MAYBE (Middle 50% of Range) = 232.9 to 319.5
 SELL (Upper 25% of Range) = 319.5 to 362.9
 Current Price: 355.26 is in the Sell Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)
 (Forecast High Price 362.9 - Current Price 355.26) ÷ (Current Price 355.26 - Estimated Low Price 189.5) = 0.0 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD
 Present Full Year's Dividend \$: 1.200 ÷ Current Price of Stock \$: 355.26 = 0.3% Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E
 Avg. % Payout: 8.4 ÷ Forecast High P/E: 24.6 = Avg. Yield: 0.3

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E
 Average Yield: 0.3% + Annual Appreciation: 0.4% = Compound Annual Total Return: 0.8%

Make Use of 10-Ks & 10-Qs for Facts, Conference Call Transcripts for Color

SEC.gov | EDGAR | Company Filings

https://www.sec.gov/edgar/searchedgar/companysearch

U.S. SECURITIES AND EXCHANGE COMMISSION

Search SEC.gov

COMPANY FILINGS

ABOUT | DIVISIONS & OFFICES | ENFORCEMENT | REGULATION | EDUCATION | FILINGS | NEWS

EDGAR - Search and Access

Latest Filings

Company Filings

Mutual Funds

Variable Insurance Products

Daily Filings by Type

EDGAR Full Text Search

CIK Lookup

Confidential Treatment Orders

Effectiveness Notices

About EDGAR

EDGAR - Information for Filers

EDGAR | Company Filings

Company and Person Lookup

Name, ticker symbol, or CIK

More Options

How to Use this Search?

Enter name, ticker or CIK into the single search field.
Suggestions as you type link directly to filings.

Guides

[How to Research Public Companies](#)
Learn how to quickly research a company's operations and financial information with EDGAR search tools.

[Form Types](#)
Review reference versions of EDGAR forms filed by companies, funds, and individuals.

[Investor.gov](#)
Your online resource to help you make sound investment decisions and avoid fraud.

Search Tools

[EDGAR Full Text Search](#)
New versatile tool lets you search for keywords and phrases in over 20 years of EDGAR filings, and filter by date, company, person, filing category or location.

[CIK Lookup](#)
Find a company or person EDGAR filings by their SEC Central Index Key (CIK).

[Save Your Search](#)
Want to get updates on new filings? Learn how to save your search by subscribing to EDGAR RSS feeds.

Secret #2:
10-Ks, 10-Qs, and
conference calls tell
you most of what
you need to know

Where Can I Find These Helpful Tools?

Browser tabs: Petoskey - Stock Portfolio & Tra... Highrise: Latest Activity Sign In CIQ Pro: Market Monitor WSJ The Wall Street Journal Client & Account Servicing - Bal... SMG - The Scotts Miracle Gro C...

Address bar: ssg.betterinvesting.org/study/ssgplus.aspx?studyid=15028586&sk=34211

Navigation: Yahoo! Finance - Bu... EDGAR Imported From IE SEC Firm Gateway Value Line at Baldwi... Chicago Clearing Provident - Secure... Sharepoint - Provid... Tamarac Reporting Schwab Advisor Ce... Online Business Ba... Citizens | Personal... Other bookmarks

BETTERINVESTING SSG PLUS

Switch Tools: SSGPlus CoreSSG

Menu: File Data Print Research Tools Logout

Company: The Scotts Miracle G (SMG) Study Name: The Scotts Miracle Gro Co

Analyst Consensus Estimates

Sales 2 Year Estimate: 3.4%

EPS Long Term Estimate: 3.4%

Legend:

- Sales
- Pre-Tax Profit
- Prices Hi/Lo
- EPS
- Book Value/Share
- Free Cash Flow/Share
- Dividend
- Total Debt
- Net Income
- Shares Outstanding
- Sales Detailed Estimates
- EPS Detailed Estimates

Reset Chart Compare Peers

Fundamental Company Data	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Growth(%)	Forecast (%)	5 yr Est
Historical Sales (\$M)	2,826	2,817	2,841	3,017	2,836	2,642	2,663	3,156	4,132	4,925	4.8%	0	4,592
Historical EPS (\$)	1.82	2.58	2.64	2.57	4.09	3.29	2.23	7.77	6.78	9.03	19.4%	0	7.17
Pre-Tax Profit (\$M)	171	254	258	246	489	347	58	614	511	671	16.1%		

Evaluate Management	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	5 Yr Avg	Trend
% Pre-Tax Profit on Sales	6.1%	9.0%	9.1%	8.1%	17.2%	13.1%	2.2%	19.4%	12.4%	13.6%	12.1%	
% Return on Equity	16.6%	21.6%	21.2%	23.2%	30.3%	26.2%	23.4%	54.2%	37.9%	44.7%	37.3%	
% Debt To Capital	53.4%	39.0%	47.0%	59.9%	57.5%	62.4%	77.6%	65.4%	60.6%	68.7%	67.0%	

Privacy Policy Contact Us Version 5.16.04

Windows taskbar: Type here to search 55°F Mostly sunny 5:32 PM 8/22/2022

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

For the quarterly period ended April 2, 2022

For the transition period from to
Commission File Number: 001-11593

The Scotts Miracle-Gro Company

(Exact name of registrant as specified in its charter)

	Three Months Ended	
	April 2, 2022	April 3, 2021
Net Sales:		
U.S. Consumer	\$ 1,379.8	\$ 1,374.0
Hawthorne	202.6	363.8
Other	96.0	91.0
Consolidated	<u>\$ 1,678.4</u>	<u>\$ 1,828.8</u>
Segment Profit (Loss):		
U.S. Consumer	\$ 428.9	\$ 435.9
Hawthorne	3.3	41.4
Other	10.5	17.6
Total Segment Profit	<u>442.7</u>	<u>494.9</u>
Corporate	(39.1)	(48.1)
Intangible asset amortization	(10.4)	(7.8)
Impairment, restructuring and other	(5.3)	(14.9)
Equity in loss of unconsolidated affiliates	(6.5)	(1.5)
Interest expense	(28.3)	(19.3)
Other non-operating income, net	1.9	0.9
Income from continuing operations before income taxes	<u>\$ 355.0</u>	<u>\$ 404.2</u>

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

For the quarterly period ended April 2, 2022

For the transition period from to
Commission File Number: 001-11593

The Scotts Miracle-Gro Company

(Exact name of registrant as specified in its charter)

	Three Months Ended	
	April 2, 2022	April 3, 2021
U.S. Consumer:		
Growing media and mulch	\$ 542.0	\$ 532.4
Lawn care	536.1	530.3
Controls	141.9	142.2
Roundup® marketing agreement	63.9	63.8
Other	95.9	105.3
Hawthorne:		
Nutrients	45.1	80.1
Lighting	42.6	108.5
Growing environments	42.4	65.5
Growing media	40.8	58.4
Other, primarily hardware	31.7	51.3
Other:		
Lawn care	36.6	34.4
Growing media	27.9	27.9
Other, primarily gardening and controls	31.5	28.7
Total net sales	\$ 1,678.4	\$ 1,828.8



The Scotts Miracle-Gro Company NYSE:SMG

FQ2 2022 Earnings Call Transcripts

Tuesday, May 03, 2022 1:00 PM GMT

“...the Hawthorne sales decline of 42% was outside of our guidance...”

“As it relates to Hawthorne, we had initially planned the year assuming double-digit growth and had been building inventory to meet that demand. While we slowed and, in some cases, ceased production as we lowered our sales forecast, much of the inventory had already been built or purchased.”

“And at Hawthorne, we simply built more than we needed, and we own that, and we're going to deal with it.”

...of the sales deficit, like 1/3 of it like disappeared in like 10 days. So the business is on a pretty good track right now. We just need to sort of keep that weather. Our comps are pretty easy for the rest of the year, and that will really help.”

“But if you look at just what happened, we had 10 years of growth in consumer in 2 years. We thought we'd give some of that back last year. We didn't. We gained 10%, I think, roughly in unit volume last year. And we had 100% growth in 2 years at Hawthorne. And we expanded our footprint, we probably beat our chest a little bit. But it's one of those things that it didn't feel crazy at the time. I think we basically were looking to enable the business. But we've now had sort of this year and '18. And I think it's just -- it's a lot more volatile, I would say, than sort of our consumer business, which ultimately still gets me to the point where I think the -- and I think I know the opportunity is there.”

The Scotts Miracle-Gro Company | Dashboard | CIQ Pro: The Scotts Miracle-Gro | WSJ The Wall Street Journal | Move Money - Schwab Advisor C

finance.yahoo.com/quote/SMG?p=SMG&&tsrc=fin-srch

Search for news, symbols or companies

Finance Home | Watchlists | My Portfolio | Cryptocurrencies | Yahoo Finance Plus | Screeners | Markets | News

More about The Scotts Miracle-Gro Company

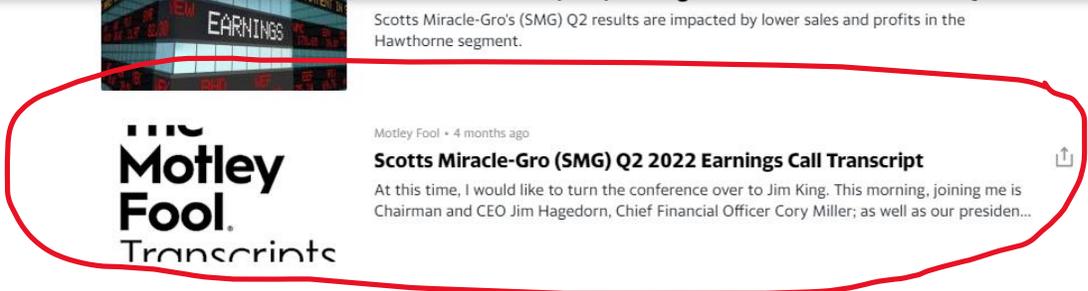
SMG vs Sector

SMG | Sector - Basic Materials

Find your perfect somewhere
Hotels.com BOOK NOW

Data Disclaimer | Help | Suggestions | Privacy Dashboard | Privacy | About Our Ads | Terms | Sitemap

© 2022 Yahoo. All rights reserved.



Many conference call transcripts are publicly available for FREE!!!



Scotts Miracle-Gro's (SMG) Q2 results are impacted by lower sales and profits in the Hawthorne segment.



Motley Fool • 4 months ago
Scotts Miracle-Gro (SMG) Q2 2022 Earnings Call Transcript
 At this time, I would like to turn the conference over to Jim King. This morning, joining me is Chairman and CEO Jim Hagedorn, Chief Financial Officer Cory Miller; as well as our presiden...



American City Business Journals • 4 months ago
Scotts Miracle-Gro now says it won't meet annual profit projection
 The chilly, rainy spring through much of the country and other outside forces over the past two months – even the war in Ukraine – caused Scotts Miracle-Gro Co. to conclude its yearl...



Zacks • 4 months ago
Scotts Miracle-Gro (SMG) Q2 Earnings and Revenues Top Estimates
 Scotts (SMG) delivered earnings and revenue surprises of 7.25% and 1.67%, respectively, for the quarter ended March 2022. Do the numbers hold clues to what lies ahead for the stock?



Ad | M Technologies | Search Ads
Electric Cars: The Prices in 2022 May Surprise You
 Electric cars may never be this cheap again! Take a look here... the prices might actually surprise you



GlobeNewswire • 4 months ago
ScottsMiracle-Gro Announces Record Second Quarter U.S. Consumer Sales; Lawn & Garden Demand Gaining Ground After Weather-Drive...
 Company announces Hawthorne acquisition of Cyco, Australia-based nutrient brandGAAP EPS: \$4.94 versus \$5.44; non-GAAP adjusted EPS of \$5.03 versus \$5.64Consumer POS dow...

Sometimes Rigid Rules are too... Rigid!!!

Secret #3:
Sometimes Stock
Studies don't
portray the story
and I have to get
creative

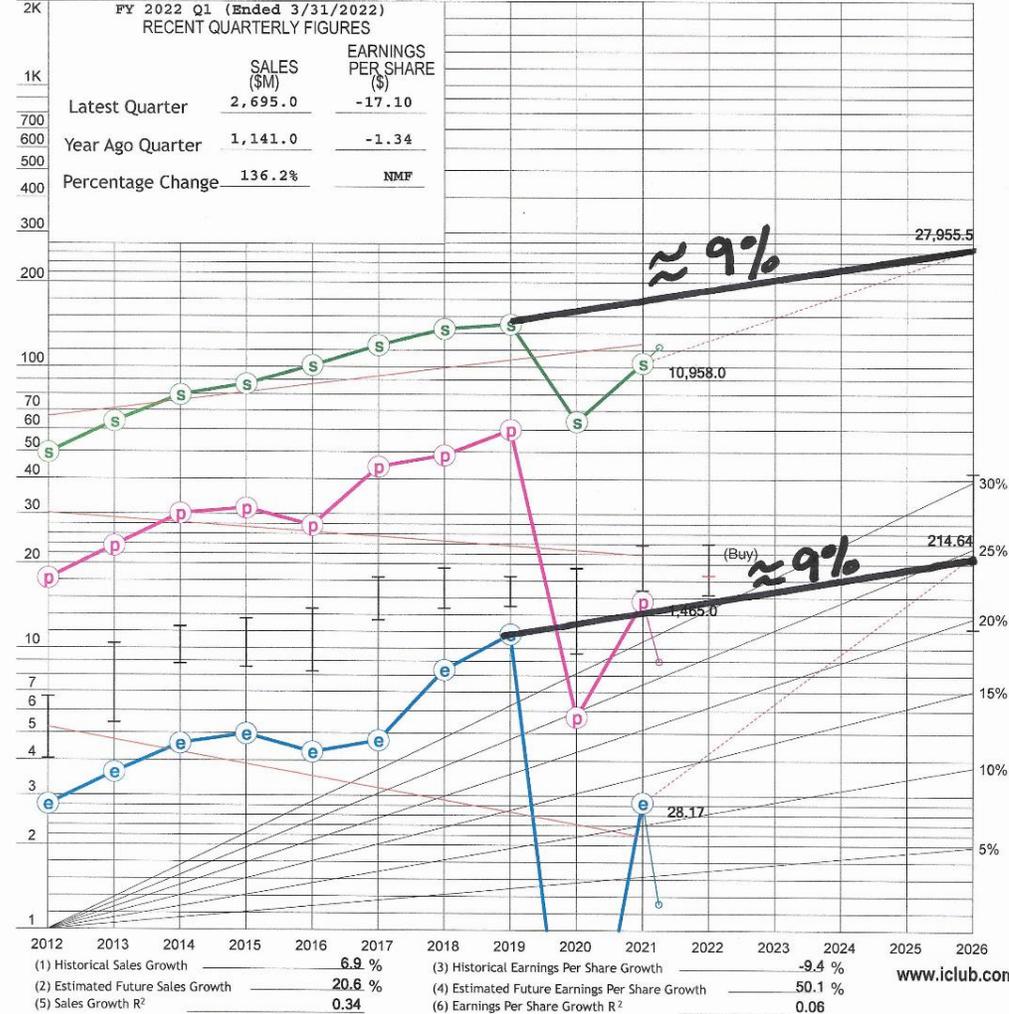


Stock Study

Company	Booking Holdings	Price Date	05/19/22
Study by	RepairShop	Data Date	05/19/22
Sector	Consumer	Last Judgment	05/26/22
Industry	Travel Services	Data Source	StkCntrl
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	40.9	% Insiders	3.0
Total Debt(\$M)	10,117.0	% Institutions	93.5
% Tot Debt to Tot Cap	64.7	Quality	1.1 (Take Stock)

1 Growth Analysis

NAS: BKNG



gation to take a charitable approach to the stock. Analyzing stocks like this is really tough. What I do is project a growth rate below the previous trends and extrapolate that growth rate over the seven years from 2019 to 2026. That gives me a reasonable goal for Booking. I plug that in as my EPS number five years into the future. Remove unreasonable P/Es for 2020 and 2021 and examine whether the stock is still your best bet.

Diener (DIE) wasn't affected only

The Single Most Important Thing: Maintain a list of backup holdings

- Identifying *stinkers* is easy.
- Having challengers takes away an excuse for not selling a stinker.
- Challengers make it easier to move on from *mediocre* holdings.



Q&A