



## Investment Club

# Stock Pitch Competition Company Selection

Fall 2021

The following document provides further information on how to choose a company to research. The Investment Club aims to teach members the basics of value investing. Value investing is an investment strategy that involves picking stocks that appear to be trading for less than their intrinsic value. It will be difficult to model out rapidly growing companies, try to choose somewhat mature companies which will prove to be winners.

### Requirements:

- Country Listed: USA only - No ADRs (American Depository Receipts)
- Market Cap: Great than \$2B
- IPO Date: More than 3 years ago
- No “FAANG” (Facebook, Amazon, Apple, Netflix Google)
- Company must have positive Free Cash Flow (FCF)
- Speculative industries that should be avoided:
  - Technology
  - Pharmaceuticals
  - Energy

Below is a list of many companies that would be good choices in terms of size, maturity, and relevancy in the market. By no means should you limit yourself to these companies, they just serve as examples. However, if you do like a certain company on this list, feel free to pitch it. The same goes for the sectors on the list, they serve as examples.

### Retail:

- Best Buy (BBY)
- Footlocker (FL)
- VF Corp (VFC)
- Steve Madden (SHOO)
- Hanesbrands (HBI)
- Carter’s Inc. (CRI)
- Crocs Inc (CROX)
- Ulta Beauty (ULTA)
- Michael Kors (CPRI)
- Ralph Lauren (RL)
- Bed Bath & Beyond (BBBY)
- The Estee Lauder Companies Inc. (EL)
- Lululemon Athletica Inc (LULU)
- Burlington Stores Inc (BURL)
- L Brands (LB)
- Dollar General (DG)

### Food, Beverage, & Restaurants:

- Coca-Cola (KO)
- Monster Beverage Corp (MNST)
- Campbell’s (CPB)
- Kellogg (K)
- Hershey Company (HSY)
- General Mills (GIS)
- Kraft-Heinz (KHC)
- Chipotle (CMG)
- Grubhub (GRUB)
- Darden Restaurants (DRI)
- Yum! Brands (YUM)
- McDonald’s (MCD)
- Kroger (KR)
- Dine Brands (DIN)
- Texas Roadhouse (TXRH)

### **Video Games:**

- Electronic Arts (EA)
- Activision Blizzard (ATVI)
- Take-Two Interactive (TTWO)

### **Hotels & Lodging:**

- Marriott International (MAR)
- Hyatt (H)
- Hilton Worldwide (HLT)

### **Sports:**

- Callaway Golf Co (ELY)
- Dick's Sporting Goods (DKS)
- Under Armour (UA)
- Nike (NKE)
- Liberty Media Corp (BATRA)
- Dave & Buster's (PLAY)

### **Other Companies:**

- Disney (DIS)
- Wayfair (W)
- Perry Ellis Int. Inc. (PERY)
- Colgate-Palmolive Company (CL)
- Caterpillar Inc (CAT)
- Deere & Co (DE)

### **More difficult:**

- Honeywell International (HON)
- 3M (MMM)
- CSX (CSX)
- Norfolk Southern (NSC)
- Kansas City Southern (KSU)
- Newfield Exploration (NFX)
- ADP (ADP)
- Paychex (PAYX)
- Freeport-McMoRan (FCX)
- New Gold Inc (NGD)
- Charter Communications (CHRT) •  
Dish Network (DISH)
- Lockheed Martin (LMT)
- Boeing (BA)
- Barrick Gold (ABX)

To reiterate, this is not an exhaustive list of companies which you must choose from. These are suggestions of industries and names within them. If you have questions or concerns about choosing a company, please do not hesitate to reach out to Investment Club leadership.