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MR. MARKET CATCHES A SCARY VIRUS

Dominating current headlines is the scary spread of COVID-19, the coronavirus which originated in Wuhan, China. As the tragic death count rises and the number of infected people around the world grows, the impact on global economic growth becomes more uncertain. Fearful of a global recession, Mr. Market recently responded to the virus with a feverish 4,000+ point selloff on the Dow Jones Industrial index. Supply chain disruptions, reduced travel and lower consumer demand will impact financial results, especially for companies doing substantial business in China.

As a result of a slower return to normal conditions in China because of the virus, **Apple** lowered their growth outlook due to two main factors. The first is that worldwide iPhone supply will be temporarily constrained. While iPhone manufacturing partner sites are located outside the Hubei province — and while all of these facilities have reopened — they are ramping up more slowly than anticipated. These iPhone supply shortages will temporarily affect revenues worldwide. The second is that demand for Apple products within China has been affected. All Apple stores in China and many partner stores had been closed. Apple is gradually reopening retail stores, but they are operating at reduced hours and with very low customer traffic. **Microsoft** also expects lower revenues in their personal computing division due to supply chain disruptions.

Nike has temporarily closed about half of its stores in China due to the coronavirus. In addition, they are operating with reduced hours and experiencing lower than planned retail traffic. In the short term, Nike expects the situation to have a material impact on their operations in Greater China.

Starbucks has also closed half of its stores in China. Given the dynamic nature of the circumstances, the duration of the business disruption and reduced customer traffic, the related financial impact cannot be reasonably estimated, although the impact will likely be material to international results.

Disney's parks in Hong Kong, Japan and China are expected to be negatively impacted in the second quarter and for the balance of the year by closures due to the coronavirus. With cross-border travel being impacted by the coronavirus, **Mastercard** lowered their first quarter revenue outlook. **Booking Holdings** expects first quarter sales and earnings to decline due to increased travel cancellations and lower new travel bookings because of the coronavirus outbreak. **Maximus** reported that the impact of the coronavirus is expected to negatively impact EPS due to the slowdown in tourism hiring.

Warren Buffett, CEO of **Berkshire Hathaway**, said the coronavirus outbreak has affected several of Berkshire's businesses. Many Dairy Queens in China are closed, while those that are open aren't doing much business. Johns Manville insulation and Shaw carpeting have seen supply chain disruptions. In addition, Berkshire Hathaway's significant investments in Apple and the airline stocks have been adversely impacted by the virus.

However, Warren Buffett noted that he buys businesses to hold for 20-30 years, and his positive outlook for these businesses has not changed due to the coronavirus. Buffett remarked that the coronavirus is "scary stuff," but it won't cause him to sell any stocks. If stock prices drop, it makes valuations appear more attractive, and Buffett is eager to buy more stocks and businesses with the $125 billion in cash Berkshire Hathaway is holding.

Johnson & Johnson is expediting its investigational coronavirus vaccine program in response to the outbreak. The company is working closely with global partners to screen its library of antiviral molecules to accelerate the discovery of potential COVID-19 treatments and provide relief for people in China and around the world.

The antidote for Mr. Market's nasty virus is that our ***HI***-quality companies are fundamentally strong and healthy. This disruption to their business is expected to be only temporary with a full recovery more than likely in the year ahead.

This issue:

Editor: Ingrid R. Hendershot, CFA March 2020 Volume 27 Issue 1

STOCK PERFORMANCE

Stock-Symbol	Business	Purchase Date(a)	Purchase Price(b)	Price 2-28-20	Total (c) Return	Advice*	Comment
Accenture-ACN	Consulting	03-06-12	59.95	180.59	**231%**	**HOLD**	Plans to distribute $4.8 billion in dividends and buybacks in fiscal ‘20
Alphabet, Cl A-GOOGL Alphabet, Cl A-GOOGL Alphabet, Cl C-GOOG	Technology	06-10-11 06-08-15 06-10-11	256.38 546.47 254.89	1,339.25 1,339.33	**198% 425%**	**BUY**	Free cash flow increased 36% in 2019 to $31 billion with the company ending the year with $120 billion in cash
Apple-AAPL	iPhones, computers, services	09-07-10	36.97	273.36	**687%**	**HOLD**	**Taking partial profits** (see p. 4)
Automatic Data Processing-ADP	Human capital mgmt.	03-09-16	85.62	154.74	**92%**	**BUY**	**Adding to position**; free cash flow increased 21% in first half to $1 billion
Bank of Hawaii-BOH	Financial services	12-3-18	79.30	74.42	**-3%**	**BUY**	Increased share buyback program by $100 million
Berkshire Hathaway-BRKB	Insurance/diversified	12-28-94! 03-10-00 03-17-00	21.56 27.45 34.13	206.34	**674%**	**BUY**	Reported record investment gains and net worth in 2019; repurchased $5 billion of common shares
Biogen-BIIB	Biotechnology	09-09-15	286.19	308.39	**8%**	**HOLD**	Expanded share buyback by $5 billion
Booking Holdings-BKNG	Online travel bookings	12-12-12 12-10-14	629.62 1,119.68	1,695.66	**94%**	**HOLD**	Repurchased $8.2 billion of stock in 2019
Brown-Forman-BFB	Liquor	03-10-00	4.25	61.41	**1,587%**	**HOLD**	Celebrating 150th anniversary in 2020
Canadian National Railway-CNI	Railroad	06-28-15 12-03-19	58.05 88.61	84.91	**23%**	**HOLD**	Increased dividend 7%, marking 24th consecutive year of dividend increases
Cisco Systems-CSCO	Internetworking	03-12-97	5.78	39.93	**722%**	**HOLD**	Increased dividend 3%
Cognizant Tech.-CTSH	IT consulting	09-07-12	33.43	60.93	**89%**	**BUY**	Increased dividend 10% and announced new $2 billion share repurchase
F5 Networks-FFIV	Network technology	09-09-15	121.84	119.95	**-2%**	**BUY**	Acquired Shape Security for $1 billion
Facebook-FB	Social media	06-04-18	193.35	192.47	**0%**	**BUY**	Announced new $10 billion share buyback program
FactSet Research-FDS	Financial information	03-14-14	104.42	265.99	**167%**	**HOLD**	Free cash flow increased 88% in the 1Q
Fastenal-FAST	Industrial supplies	03-10-00 09-07-17	2.45 20.85	34.22	**126%**	**HOLD**	Increased dividend 14%
General Dynamics-GD	Aerospace and defense	12-03-19	176.29	159.69	**-9%**	**BUY**	Backlog increased 28% in 2019 to a record $86.9 billion
Gentex-GNTX	Auto mirrors	12-08-15	16.29	26.70	**74%**	**HOLD**	Generated 21.9% ROE in 2019
Genuine Parts-GPC	Diversified distributor	03-10-00 09-09-15	20.81 84.10	87.24	**49%**	**BUY**	**Adding to position;** Increased dividend 4%, marking 64th consecutive year of dividend hikes
Hormel Foods-HRL	Food	06-14-01	6.01	41.60	**716%**	**HOLD**	Increased dividend 11%, marking 54th year of straight dividend increases
Johnson & Johnson-JNJ	Healthcare products	03-10-00 09-10-18	35.48 137.52	134.48	**48%**	**BUY**	Free cash flow up 7% in 2019 to $20 billion

***All recommendations made in this newsletter may not be suitable for every account, depending on an individual’s investment objective, risk-tolerance and financial situation. It should not be assumed that recommendations will be profitable or will equal the performance of securities listed here or recommended in the past. Clients should contact Hendershot Investments, Inc. if there are any changes in your financial situation or investment objectives, or if you wish to impose, add or modify any reasonable restrictions to the management of your account.** (a) Date purchased for Hendershot IRA. See personal trading restrictions footnote on page 3. ! Received BRKB shares following acquisition of FlightSafety Int’l in Dec ‘96 and Int’l Dairy Queen in Jan ‘98 (b) Price includes commissions paid. (c) Total return includes dividends. NI-Net Income, Q-quarter, H-half, YTD-year-to-date, ROE-return on equity

(continued)

Stock-Symbol	Business	Purchase Date(a)	Purchase Price(b)	Price 2-28-20	Total (c) Return	Advice*	Comment
3M-MMM	Diversified	03-07-07 09-10-18	73.70 213.63	149.24	**-3%**	**HOLD**	Increased dividend 2%, marking 62nd consecutive year of dividend increases
Mastercard-MA	Global payments	09-05-14	76.45	290.25	**290%**	**HOLD**	**Taking partial profits** (see p. 4)
Maximus-MMS	Business services	06-02-16 12-03-19	57.54 73.70	63.02	**-5%**	**BUY**	Free cash flow increased 56% in the 1Q
Microsoft-MSFT	Software	06-07-07 12-03-10	30.16 26.94	162.01	**525%**	**HOLD**	Free cash flow up 15% in first half to $17.6 billion
MSC Industrial-MSM	Industrial distributor	03-07-18	90.58	61.82	**-20%**	**SELL**	**Selling position** (see p. 4)
Nike-NKE	Shoes and apparel	03-07-17	56.55	89.38	**62%**	**BUY**	Sales +10%, EPS +35% in 2Q
Oracle-ORCL	Software	09-05-13	32.31	49.46	**67%**	**BUY**	Repurchased $26 billion of stock during past 12 months
Paychex-PAYX	Payroll processing	12-03-10 08-31-11	29.49 27.28	77.48	**231%**	**BUY**	ROE for trailing 12 months is a stellar 42%
PepsiCo-PEP	Food and beverages	03-14-14 03-07-18	81.89 109.42	132.03	**41%**	**HOLD**	**Taking partial profits** (see p. 4)
Raytheon-RTN	Defense	03-06-19	183.05	188.56	**5%**	**BUY**	**Merging with United Technologies** (see p. 10)
Ross Stores-ROST	Off-price retailer	06-08-17	61.70	108.78	**80%**	**BUY**	YTD paid $278 million in dividends and repurchased $966 million of stock
Starbucks-SBUX	Coffee retailer	06-10-14 12-11-17	37.26 58.61	78.43	**56%**	**HOLD**	In 1Q paid $484 million in dividends and repurchased $1.1 billion of common stock
Stryker-SYK	Medical technology	03-11-09	32.08	190.59	**536%**	**HOLD**	Increased dividend 11%
T. Rowe Price-TROW	Investment mgmt.	08-31-11 09-05-14	53.98 80.59	118.01	**164%**	**BUY**	**Adding to position**; increased dividend 18%.
The TJX Companies-TJX	Off-price retailer	06-12-00 09-09-15	2.54 36.17	59.80	**148%**	**BUY**	Increased dividend 13% and expanded share buyback by $1.5 billion
Tractor Supply-TSCO	Rural retailer	12-11-17	67.51	88.51	**35%**	**BUY**	Generated a strapping 36% ROE in 2019
Ulta Beauty-ULTA	Beauty retailer	09-10-18	285.84	257.09	**-10%**	**BUY**	Plans $700 million share buyback
UnitedHealth Group-UNH	Health care management	08-29-19	231.64	254.96	**11%**	**BUY**	Free cash flow up 20% in 2019 to $16.4 billion
United Parcel Service-UPS	Package delivery	05-27-05 06-09-06 08-31-11	74.92 79.57 67.90	90.49	**66%**	**BUY**	**Adding to position;** increased dividend 5%. The dividend has been maintained or increased for nearly 50 years and more than quadrupled since 2000.
United Technologies-UTX	Diversified-building systems/aerospace	09-10-01	33.43	130.59	**385%**	**BUY**	Spinning off Otis and Carrier and merging with Raytheon
Walgreens Boots Alliance-WBA	Drugstores	09-12-08 06-08-17	36.38 81.83	45.76	**-25%**	**HOLD**	Operating cash flow more than doubled in first fiscal quarter
Walt Disney-DIS	Media/Entertainment	09-02-16	94.43	117.65	**31%**	**HOLD**	1Q revenue +36% with operating income + 9%

PERSONAL TRADING RESTRICTIONS FOR PRINCIPALS AND EMPLOYEES

I take a long-term position in each stock recommended in this newsletter. Having earned the Chartered Financial Analyst (CFA) designation, I fully subscribe to the Code of Ethics and Standards of Professional Conduct of the CFA Institute. Accordingly, transactions for client accounts have priority over personal and employee transactions. To avoid any conflict of interest and to be fair to both my individual clients and subscribers, personal and employee trading is restricted to just four weeks a year. Personal and employee trading will occur only during the week following distribution of the newsletter to subscribers unless otherwise approved by the Chief Compliance Officer. The week following distribution of the newsletter will be measured as five business days after the mailing date of the newsletter. Positions may be purchased or sold for individually managed client accounts at any time and without regard to recommendations made in this newsletter.

PORTFOLIO REVIEW

APPLE'S RED DELICIOUS PROFITS

Apple reported first fiscal quarter revenues rose 9% to $91.8 billion with net income up 11% to $22.2 billion and EPS climbing 19% to $4.99. These record results reflected strong demand for the iPhone 11 and iPhone 11 Pro models and all-time records for Services and Wearables. iPhone sales increased 8% during the quarter to $56 billion with Services revenues increasing 17% to $12.7 billion and Wearables sales jumping 37% to $10 billion thanks to strong demand for Apple Watches and AirPods, with both items capacity constrained.

During the holiday quarter, Apple's active installed base of devices grew in each geographic segment and has now reached over 1.5 billion. The company ended the quarter with 480 million paid subscribers to its Services, a 120 million increase year over year. Apple expects to exceed 500 million subscribers in the March quarter with a goal of 600 million subscribers by year end to its Services. International sales accounted for 61% of the quarter's revenues.

Free cash flow increased 22% during the quarter to $28 billion with the company paying dividends of $3.5 billion during the quarter and repurchasing $20.7 billion of common stock. Apple ended the quarter with about $207 billion in cash and investments, $93 billion in long-term debt and $89.5 billion in shareholders' equity.

Supply chain constraints caused by the coronavirus, along with temporarily closed retail stores in China, led Apple to lower its growth outlook for the second fiscal quarter.

Apple's stock has provided us with a red delicious **687% total return over the last decade. With the stock appearing fully valued, it prompted us to trim back oversized positions.**

MSC INDUSTRIAL $5 A SHARE SPECIAL DIVIDEND

MSC Industrial reported fiscal 2020 first quarter sales dipped 1% to $823.6 million with net earnings declining 12% to $65.4 million. These results reflect broad-based softness in the industrial sector. Consistent with the company's balanced allocation strategy of returning cash to shareholders, the Board declared a special dividend of $5.00 per share in addition to the regular dividend. Given continued economic weakness, management expects revenues and earnings to decline further in the second quarter. After pocketing the special dividend**, we decided to sell our position in MSC Industrial** due to weak financial results **with a disappointing 20% loss over the last two years.**

TASTY PEPSICO PROFITS

PepsiCo reported 2019 revenue rose 4% to $67.2 billion with operating income up 2% to $10.3 billion. Organic revenue growth accelerated to 4.5% for the full year with revenue growth broad-based across business segments and geographies. Return on shareholders' equity during 2019 was a tasty 49.4%. During 2019, PepsiCo paid $5.3 billion in dividends and repurchased $3 billion of common stock. The company announced a 7% increase in its annualized dividend to $4.09 for 2020, representing the 48th consecutive year of dividend increases. In 2020, PepsiCo expects organic revenue growth of 4% with constant currency EPS growth of 7%. The company expects to generate $6 billion of free cash flow. Total cash returns to shareholders in 2020 are expected to approximate $7.5 billion comprised of dividends of $5.5 billion and share repurchases of $2 billion. With the stock appearing fairly valued after **bubbling up a 61% gain over the last six years, we decided to pocket partial PepsiCo profits.**

MORE MONEY FROM MASTERCARD

Mastercard announced that its Board of Directors has declared a quarterly cash dividend of 40 cents per share, a 21% increase over the previous dividend of 33 cents per share. The Board of Directors also approved a new share repurchase program, authorizing the company to repurchase up to $8 billion of its Class A common stock. The new share repurchase program will become effective at the completion of the company's previously announced $6.5 billion program. The company has approximately $300 million remaining under the current program authorization. **Mastercard's stock has charged up a 290% total return over the last six years and appears fully valued, which prompted us to trim back our position.**

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With the proceeds from **MSC Industrial** and the profits from **Apple, PepsiCo and Mastercard**, we plan to **add to our positions in ADP, Genuine Parts, UPS** and **T. Rowe Price**. Personal and employee purchases will be made during the week following distribution of this newsletter. (See Personal Trading restrictions in the box on p. 3.)

DIVIDENDS

Since the last issue, the following dividends per share were received: **Accenture** ($.80), **Apple** ($.77), **ADP** ($.91), **Bank of Hawaii** ($.67), **Brown-Forman** ($.17), **Canadian National** ($.41), **Cisco** ($.35), **Cognizant (**$.20), **FactSet Research** ($.72), **Fastenal (**$.22**), General Dynamics** ($1.02), **Gentex** ($.12), **Genuine Parts** ($.76), **Hormel Foods** ($.23), **Johnson & Johnson** ($.95), **Mastercard** ($.40), **Maximus** ($.28), **Microsoft** ($.51), **3M** ($1.44), **MSC Industrial** ($.75), **Nike** ($.25), **Oracle** ($.24), **Paychex** ($.62), **Pepsi** ($.96), **Raytheon** ($.94), **Ross Stores** ($.26), **Starbucks** ($.41), **Stryker** ($.58), **T. Rowe Price** ($.76), **TJX** ($.23), **Tractor Supply** ($.35), **United Parcel Services** ($.96), **United Technologies** ($.74), **UnitedHealth** ($1.08), **Walgreens** ($.46) and **Walt Disney** ($.88).

SPECIAL DIVIDEND

MCS Industrial paid a $5.00 per share special dividend on Feb. 5, 2020.

(continued)

REALIZED GAINS AND LOSSES OVER THE LAST 12 MONTHS

COMPANY	DATE PURCHASED	DATE SOLD	GAIN/ LOSS	COMMENT*
ABBVIE	03/09/10 12/03/10	08/29/19 08/29/19	+131% +168%	Sold position due to integration and financial risk related to acquisition of Allergan
FASTENAL	06/10/14 09/07/17	12/03/19 12/03/19	+37% +66%	Fully valued, trimmed position
GENTEX	12/08/15	08/29/19	+63%	Fully valued, trimmed position
POLARIS	09/09/15 12/28/15	03/06/19 03/06/19	-27%	Sold position due to declining earnings and cash flow and increasing debt
TD AMERITRADE	06/04/19	12/03/19	-1%	Sold position due to change in management and expected sharp decline in revenues and earnings from elimination of commissions
THOR INDUSTRIES	06/04/18	08/29/19	-51%	Sold position due to industry downturn, lower cash flows and increased debt from acquisition
TRACTOR SUPPLY	12/11/17	03/06/19	+39%	Fully valued, trimmed position
WALT DISNEY	09/02/16	06/04/19	+41%	Fully valued, trimmed position
WESTWOOD HOLDINGS	12/08/11 08/10/15	06/04/19	-39%	Sold position as assets under management, sales and earnings dropped significantly

***A stock meets our price target by reaching its near-term full value based on its expected price range over the next 12-18 months (see pages 6 and 7). When a stock reaches our price target, we generally sell half the position and reinvest the proceeds into other promising opportunities. The remaining shares are held for further potential long-term gains as intrinsic value grows over time. Stocks are also sold if business fundamentals deteriorate or better investment opportunities are available.**

Hendershot Investments, Inc. Investment Advisory Services

Founded in 1994, Hendershot Investments' personalized portfolio management service exists to help you improve your long-term financial success and to conserve and grow your wealth. To that end, we invest in high-quality, well-managed companies at reasonable valuations and hold them for the long term. We extend a big "thank you" for the many client and subscriber referrals, as a referral is the biggest compliment you can pay us!

Our Investment Discipline

We *find* great businesses at reasonable prices through extensive research.

As long-time students of the stock market, we have developed valuation models to assess the relative merits of ***HI***-quality companies. We scour annual reports, SEC filings and news to independently determine company valuations, thereby avoiding the pitfalls of herd-mentality investing. Quarterly earnings conference calls with management keep us abreast of corporate developments and give us insight into the heartbeat of corporate leadership.

We *adhere* steadfastly to rigorous buy and sell disciplines.

Our number one rule on the buy side is "Don't overpay for a stock." We want to buy with a margin of safety. We would rather pay a "fair price for a great business than a great price for a fair business."

As Philip Fisher stated, "If the job has been done correctly when a stock is purchased, the time to sell is almost never."

We *believe* in patient investing for the long term.

Quintessential investor, Ben Graham, described the stock market in the short term as an imperfect voting machine where stock prices are based partly on emotion and partly on reason. In the long term, the stock market is a weighing machine where prices are driven by fundamentals.

For this reason, we are willing to wait patiently until Mr. Market recognizes the value of our ***HI***-quality firms.

PORTFOLIO FUNDAMENTALS

COMPANY SYMBOL	EXP. ** PRICE RANGE	PRICE 2-28-20	This year Actual EPS	Next year Est. EPS	Current P/E	PRICE/ BOOK VALUE	PRICE/ SALES	DIV. YIELD	SALES 4-YR CAGR*	EPS 4-YR CAGR*	Return on Equity	Cash/ Equity	Debt/ Equity	Current Ratio	SALES (000)
AAPL	208-325	273.36	$11.89	$13.61	21.5	13.4	4.6	1.1%	3%	7%	61%	231%	104%	1.6x	$260,174,000
ACN	146-205	180.59	7.36	7.88	24.1	7.6	2.7	1.7	7%	12%	34%	44	0	1.4	43,215,013
ADP	150-200	154.74	5.24	6.18	27.3	12.5	4.7	2.3	7%	16%	43%	28	25	1.1	14,175,200
BF.B	53-71	61.41	1.73	1.83	34.7	15.2	8.9	1.1	1%	8%	51%	12	118	3.9	3,324,000
BIIB	243-387	308.39	31.42	30.64	9.8	4.2	4.0	-	8%	20%	44%	44	37	1.9	14,377,900
BKNG	1747-2314	1,695.66	111.82	112.29	15.2	11.8	4.7	-	13%	23%	82%	199	137	1.8	15,066,000
BOH	70-99	74.42	5.65	5.48	13.4	2.3	4.4	3.5	4%	11%	18%	n/a	n/a	n/a	681,053
BRK.B !	210-257	206.34	14,752	16,030	21.0	1.2	2.0	-	6%	9%	19%	n/a	n/a	n/a	254,616,000
CNI	77-104	84.91	5.83	6.15	14.6	3.4	4.2	2.0	4%	7%	23%	0	72	0.7	14,917,000
CSCO	38-51	39.93	2.61	2.75	15.5	4.8	3.3	3.6	1%	11%	35%	81	41	1.8	51,904,000
CTSH	63-84	60.93	3.60	3.29	18.5	3.0	2.0	1.4	8%	6%	17%	31	6	2.6	16,783,000
DIS	100-141	117.65	6.27	5.35	21.1	2.3	3.0	1.5	7%	6%	12%	11	42	0.8	69,570,000
FAST	28-38	34.22	1.38	1.44	24.8	7.4	3.7	2.9	8%	12%	30%	7	17	4.5	5,333,700
FB	159-262	192.47	6.43	9.11	29.9	4.6	6.6	-	41%	49%	18%	54	9	4.4	70,697,000
FDS	197-315	265.99	9.08	8.88	28.5	14.6	7.0	1.0	9%	12%	53%	57	85	2.8	1,435,351
FFIV	128-197	119.95	7.08	6.30	18.3	3.8	3.2	-	4%	9%	25%	76	18	1.5	2,242,447
GD	177-232	159.69	11.98	12.66	13.3	3.4	1.2	2.2	5%	7%	26%	7	66	1.2	39,350,000
GNTX	20-29	26.70	1.66	1.78	16.1	3.5	3.6	1.7	5%	11%	22%	30	0	5.5	1,858,897
GOOGL!!	1187-1592	1,339.25	49.16	53.94	27.2	4.6	5.7	-	21%	21%	17%	59	2	3.4	161,857,000
GPC	96-126	87.24	4.24	5.85	20.6	3.5	0.7	3.6	6%	-2%	17%	8	99	1.2	19,392,305
HRL	37-49	41.60	1.80	1.75	23.0	3.4	2.3	2.2	1%	9%	17%	11	13	2.3	9,497,317
JNJ	122-156	134.48	5.63	6.63	23.9	6.0	4.3	2.7	4%	1%	25%	32	45	1.3	82,059,000
MA	218-324	290.25	7.69	8.94	36.6	49.0	17.1	.6	15%	23%	100%	130	145	1.4	16,870,000

** Exp. price range—the expected price range for the stock in the next 12-18 months based on our valuation models and the historical trading range of the stock over the last five years. If the current price is below the low end of the expected range, the stock appears undervalued. If the current stock price is above the high end of the expected range, the stock appears overvalued. The expected price range will change based upon company developments. Highlighted stocks appear undervalued or are new additions. !Berkshire price is for the class B shares, the class A shares approximate 1500 times the B shares. !!GOOGL (the original class A share price is used for the table. GOOGL will typically trade slightly higher than the Class C non-voting shares (GOOG).

(continued)

COMPANY SYMBOL	EXP. ** PRICE RANGE	PRICE 2-28-20	This Year Actual EPS	Next Year Est. EPS	Current P/E	PRICE/ BOOK VALUE	PRICE/ SALES	DIV. YIELD	SALES 4-YR CAGR*	EPS 4-YR CAGR*	Return on Equity	Cash/ Equity	Debt/ Equity	Current Ratio	SALES (000)
MMM	176-248	149.24	$7.81	$9.49	19.1	8.5	2.6	3.9%	2%	1%	24%	24%	173%	1.0x	$32,136,000
MMS	68-89	63.02	3.72	4.00	16.7	3.1	1.4	1.7	8%	12%	19%	12	9	2.0	2,886,815
MSFT	112-164	162.01	5.06	5.68	28.2	11.2	9.8	1.3	8%	36%	38%	122	58	2.8	125,843,000
NKE	81-108	89.38	2.49	2.98	31.3	3.5	3.6	1.1	6%	8%	45%	38	37	2.0	39,117,000
ORCL	54-68	49.46	2.97	3.67	15.9	9.8	4.0	1.9	1%	8%	50%	151	313	2.4	39,506,000
PAYX	73-92	77.48	2.86	3.11	26.0	10.8	7.4	3.1	8%	12%	40%	25	35	1.7	3,772,500
PEP	114-147	132.03	5.20	5.89	25.4	12.4	2.7	2.8	2%	9%	49%	39	197	0.9	67,161,000
ROST	93-129	108.78	4.26	4.58	24.1	12.0	2.6	.9	8%	18%	48%	35	89	1.3	14,983,541
RTN	170-244	188.56	11.93	12.64	15.8	4.3	1.8	2.0	6%	15%	27%	35	27	1.3	29,176,000
SBUX	60-87	78.43	2.92	2.83	25.7	n/a	3.5	1.9	8%	13%	n/a	n/a	n/a	0.7	26,508,600
SYK	149-201	190.59	5.48	6.36	34.8	5.6	5.2	1.2	11%	10%	16%	16	64	2.2	14,884,000
TJX	55-72	59.80	2.67	2.86	22.4	12.1	1.7	1.5	8%	13%	55%	54	169	1.2	41,716,977
TROW	104-150	118.01	8.70	8.89	13.6	4.0	4.9	3.0	8%	17%	30%	67	0	n/a	5,617,900
TSCO	79-123	88.51	4.66	5.04	19.0	6.7	1.3	1.5	8%	12%	36%	5	153	1.4	8,351,931
ULTA	259-437	257.09	10.94	11.99	21.7	8.2	2.3	-	20%	29%	36%	11	92	1.7	6,716,615
UNH	228-327	254.96	14.33	15.68	12.3	2.0	1.0	1.7	11%	24%	23%	85	61	0.7	242,155,000
UPS	98-137	90.49	5.11	5.60	17.7	23.8	1.1	4.5	6%	-1%	100%	81	100+	1.1	74,094,000
UTX	118-163	130.59	6.41	8.23	20.4	2.7	1.5	2.2	8%	9%	13%	18	91	1.1	77,046,000
WBA	52-86	45.76	4.31	4.16	11.2	1.7	0.3	4.0	7%	2%	17%	3	134	0.7	136,866,000

* CAGR-Compound Annual Growth Rate. n/a-not applicable due to financial stock or equity less than zero. Estimated EPS reflects consensus earnings estimate for current fiscal year. The valuation measures (P/E, price-to-book value, price-to-sales and dividend yield) are calculated using the closing price on the date listed in column 3. Balance sheet ratios (cash/equity, debt/equity and current ratio) reflect the latest quarterly financial statements. Return on equity and sales figures are as of the company's most recent fiscal year end.

PORTFOLIO HI-LITES

QUARTERLY
MOVERS AND SHAKERS

During the past three months, the S&P 500 Index declined 5% due to fears of a recession brought on by the global impact of the coronavirus. Despite the overall market pullback, the following stocks generated gains during the same period.

ULTA BEAUTY
$700 MILLION SHARE BUYBACK

Ulta Beauty reported fiscal third quarter sales increased 7.9% to $1.7 billion with EPS increasing 3.2% to $2.25 on fewer outstanding shares. Despite a challenging environment in cosmetics, Ulta Beauty continued to gain market share in the category. Through the first nine months of the fiscal year, Ulta Beauty repurchased $507 million of its common shares with the company expecting to repurchase a total of $700 million shares in fiscal 2019. Sales are expected to increase 10% in fiscal 2019 with same store sales growth expected to approximate 5% and EPS expected in the range of $11.93 to $12.03. **Ulta Beauty's stock rebounded a pretty 12% in the last three months. Buy.**

MICROSOFT
FREE CASH FLOW +15%

Microsoft reported fiscal second quarter revenues rose 14% to $36.7 billion with net income booting up a 38% increase to $11.6 billion. This strong growth was broad-based across geographic segments and all business segments. Free cash flow increased 15% during the first half of fiscal 2020 to $17.6 billion with the company paying $7.4 billion in dividends and repurchasing $10.1 billion of common stock during the same time period. Microsoft's balance sheet remains strong with $134 billion in cash and investments, $63 billion in long-term debt and $110 billion in shareholders' equity as of 12/31/19. **Over the past decade, Microsoft's stock has increased sixfold. Hold.**

ALPHABET
$120 BILLION IN CASH

Alphabet reported 2019 revenue rose 19% to $161.9 billion with net income up 12% to $34.3 billion. Return on shareholders' equity was 17.4% in 2019. Free cash flow increased 36% during the year to $31 billion. Alphabet continued to heavily invest in capital expenditures of $23.5 billion for technology infrastructure and data centers. Alphabet used excess cash to repurchase $18.4 billion of common stock including $6.1 billion in the fourth quarter. The company has $21 billion remaining authorized for future share repurchases. Alphabet ended the year with a fortress balance sheet with nearly $120 billion in cash and investments. **Over the last nine years, Alphabet's stock has Google mapped out a 425% gain. Buy.**

BIOGEN
$5 BILLION SHARE BUYBACK

Biogen reported a healthy 7% increase in 2019 sales to $14.4 billion with adjusted net income increasing 17% to $6.3 billion. In 2019, Biogen generated a robust 44% return on shareholders' equity. During 2019, Biogen repurchased $5.9 billion of its common stock with $1.3 billion remaining authorized under the buyback program. In December, Biogen expanded the share buyback by an additional $5 billion. For 2020, revenues are expected in the $14 to $14.4 billion range with adjusted EPS in the $31.50 to $33.50 range, down slightly from last year as the company ramps up operations in anticipation of completing a U.S. regulatory filing for its Alzheimer's drug, aducanumab. **During the past quarter, Biogen's stock rose 3%. Hold.**

FACTSET
FREE CASH FLOW +88%

FactSet reported fiscal first quarter revenues increased 4% to $366.7 million with net income up 12% to $94 million. Annual Subscription Value (ASV) plus professional services was $1.48 billion. Annual ASV retention was greater than 95%. Free cash flow increased 88% during the first quarter to $69 million due to higher earnings and favorable working capital changes. During the past quarter, FactSet paid $27 million in dividends and repurchased $84.4 million of its common shares with $154.2 million remaining authorized for future share repurchases. FactSet maintained its guidance for the full fiscal 2020 year with revenue expected in the range of $1.49 billion to $1.5 billion and EPS in the range of $8.70 to $9.00. **Over the past six years, FactSet has provided a tidy total return of 167%. Hold.**

THE TJX COMPANIES
INCREASED DIVIDEND 13%

The TJX Companies reported fiscal 2020 sales increased 7% to $41.7 billion with net income up 7% to $3.3 billion and EPS increasing 10% to $2.67. Same store sales increased 4%, marking TJX's 24th consecutive year of comp store sales growth. During fiscal 2020, TJX generated a fancy 55% return on shareholders' equity. Given TJX's continued strong cash flow, the board raised the dividend 13%, marking the 24th straight year of dividend increases. In addition, the directors approved a new $1.5 billion share repurchase authorization. In fiscal 2021, TJX expects EPS in the range of $2.77 to $2.83, up 4% to 6% from fiscal 2020. This guidance is based on estimated comp store sales growth of 2% to 3%. **Over the last 20 years, TJX has provided highly fashionable returns with the stock up more than 23-fold, rising from $2.54 per share to $59.80 per share. Buy.**

(continued)

QUARTERLY RATING CHANGE FROM HOLD TO BUY

The stock market's recent correction has brought many ***HI***-quality companies back into buying range thanks to more attractive valuations.

AUTOMATIC DATA PROCESSING FREE CASH FLOW +21%

Automatic Data Processing reported fiscal second quarter revenues rose 6% on an organic basis to $3.7 billion with EPS jumping 18% to $1.50. Free cash flow increased 21% during the first half of fiscal 2020 to $1.0 billion with the company paying $686 million in dividends and repurchasing $615 million of common stock. ADP has increased its dividend for 45 consecutive years, one of only 30 companies with such a remarkable dividend track record. The dividend currently yields an attractive 2.3%. **We are adding to our position. Buy.**

BANK OF HAWAII 3.5% DIVIDEND YIELD

Bank of Hawaii reported 2019 EPS rose 6% to $5.56. Return on shareholders' equity for the year was a solid 17.6%. The bank's asset quality, capital and liquidity all remain strong. The Board increased the share repurchase authorization by an additional $100 million. The dividend currently yields a splashy 3.5%. **Buy.**

ROSS STORES $1.3 BILLION BUYBACK

Ross Stores reported fiscal third quarter revenues rose 8% to $3.8 billion with EPS up 13% to $1.03. Comparable store sales increased a strong 5% in the quarter driven by both traffic and average basket size. For the full year, Ross Stores expects to buy back $1.275 billion in common stock. **Buy.**

NIKE DOUBLE-DIGIT GROWTH

Nike reported fiscal 2020 second quarter sales increased 10% to $10.3 billion with net earnings jumping 32% to $1.1 billion. During the second quarter, Nike repurchased 10.1 million shares for about $922 million, or $91.29 per average share, as part of the four-year, $15 billion repurchase program approved by the Board of Directors in June 2018. **Buy.**

PAYCHEX 42% RETURN ON EQUITY

Paychex reported fiscal second quarter revenues rose 15% to $990.7 million with net income up 10% to $258.7 million. Return on shareholders' equity over the trailing 12 months was a stellar 42%. Free cash flow increased a robust 16% during the first half of the year to $505 million thanks to higher earnings and working capital changes. For fiscal 2020, Paychex raised their financial outlook with EPS growth expected to increase in the range of 9% to 10%. **Buy.**

T. ROWE PRICE INCREASED DIVIDEND 18%

T. Rowe Price reported that assets under management increased 25% to end the 2019 year at $1.21 trillion, reflecting asset inflows and market capital appreciation. In 2019, revenues rose 5% to $5.6 billion with net income up 16% to $2.1 billion. Return on shareholders' equity was an impressive 30% in 2019.

The Board increased the dividend 18.4%, marking the 34th consecutive year of dividend increases. **We are adding to our position. Buy.**

TRACTOR SUPPLY 36% RETURN ON EQUITY

Tractor Supply reported 2019 sales increased 5.6% to $8.4 billion with EPS growing 8.1% to $4.66. Return on shareholders' equity for the year was a strapping 36%. Free cash flow increased a robust 43% during the year to $594 million with the company paying $163 million in dividends and repurchasing 5.4 million shares of common stock for $533.3 million at an average cost of $98.76 per share. Fiscal 2020 sales are expected to increase 5%-6% with EPS growth of 5%-9%. **Buy.**

UNITEDHEALTH FREE CASH FLOW +20%

UnitedHealth Group reported 2019 revenues increased 7% to $242 billion with net earnings increasing 15% to $13.8 billion. During the year, the company generated a vigorous 23% return on shareholders' equity and free cash flow of $16.4 billion, up 20% from last year. During 2019, the company made dividend payments of $3.9 billion, which were up 18.4% from last year, and share repurchases of $5.5 billion. **Buy.**

UPS DELIVERS 4.5% DIVIDEND YIELD

UPS reported 2019 revenues rose 3% to $74.1 billion with adjusted EPS up 4% to $7.53. In 2020, free cash flow is expected to be between $4.3-$4.7 billion. UPS recently increased the dividend 5%. For nearly 50 years, UPS has either increased or maintained its dividend. Since 2000, the company's dividend has more than quadrupled. The firm's dividend currently delivers a strong 4.5% yield. **We are adding to our position. Buy.**

UNDER THE SPOTLIGHT

UNITED TECHNOLOGIES (UTX-$130.59)
SPINNING OFF OTIS WORLDWIDE AND CARRIER GLOBAL AND MERGING WITH RAYTHEON

In November 2018, United Technologies (UTC) announced plans to separate United Technologies Corporation into three independent, publicly traded companies: (1) UTC, a preeminent aerospace company comprised of the Collins Aerospace and Pratt & Whitney businesses; (2) Otis Worldwide Corporation , the world's largest elevator and escalator manufacturing, installation and service company; and (3) Carrier Global Corporation, a leading global provider of heating, ventilating and air conditioning (HVAC); refrigeration; and fire and security solutions.

The separation of Otis and Carrier from United Technologies is intended, among other things, to better position the management of each company to pursue opportunities for long-term growth and profitability unique to each company's business and to allow each to more effectively implement its own distinct capital structure and capital allocation strategies. The separation will occur through two tax-free spinoffs, expected to occur early in the second quarter of 2020.

For each share of United Technologies a shareholder holds, they will receive 0.5 shares of Otis-OTIS and 1.0 share of Carrier-CARR. The number of United Technologies shares an investor owns will not change due to the spinoff transaction. To better understand each separate company as they become public entities, we are providing highlights from the prospectus and management presentations.

OTIS WORLDWIDE

Otis Worldwide is celebrating 167 years of industry leading innovation. Elisha Graves Otis invented the safety brake that made elevators safe for passengers, enabling modern cities to rise to previously unthinkable heights. The Otis brand is recognized across the globe and its products are installed in some of the world's most recognizable buildings.

Otis elevators and escalators move more than two billion people every day. The company serves customers in over 200 countries and territories and supports over two million maintenance units under contract. Otis is a leader in the approximately $75 billion global elevator and escalator industry. The industry is supported by attractive macro growth trends, including urbanization, a growing middle class and digitalization. We like the recurring business model of new installations and maintenance plus repair of the global installed base.

For the year ended December 31, 2019, the company's net sales and operating profit were approximately $13.1 billion and $1.8 billion, respectively. International operations represented approximately 73% of net sales for the year.

Otis is well positioned for solid 2020 performance with organic sales growth of 2% to 3%, operating profit margin expansion of 20 basis points, and robust free cash flow of $1.0 billion to $1.1 billion. The company's disciplined capital allocation policy is to pay out about 40% of earnings in dividends, repay $250 million a year in debt and invest in bolt-on mergers and acquisitions.

CARRIER GLOBAL

Carrier is a leading global provider of heating, ventilating and air conditioning (HVAC); refrigeration; and fire and security solutions. The company's 100-year heritage is built on a legacy of innovation, beginning with its founders—Willis Carrier, who designed the world's first modern air conditioning system; Robert Edwards, who patented the first electric alarm bell; and Walter Kidde, who produced the first integrated smoke detection and carbon dioxide extinguishing system for use on board ships.

Carrier's pro-forma sales in 2019 were $18.6 billion with adjusted operating profits of $2.6 billion. HVAC sales represented $9.7 billion of sales with profits of $1.6 billion; Fire and Security sales were $5.5 billion with profits of $700 million; and Refrigeration sales were $3.8 billion with profits of $500 million.

For fiscal 2020, Carrier revenues are expected to rise slightly thanks to new revenue sources. Adjusted operating profit is expected to increase $25 million to $75 million thanks to improved pricing and cost reductions. Free cash flow is expected in the $1.3 billion to $1.4 billion range.

Carrier's growth model is to grow sales faster than the industry; grow adjusted operating profit faster than sales; grow adjusted EPS faster than adjusted operating profit; and grow free cash flow faster than earnings.

Over the medium term, revenues are expected to increase in the mid-single digit range with adjusted EPS increasing in the high-single digit range with free cash flow conversion of 90% to 100%.

Carrier plans a balanced capital allocation policy with a healthy and competitive dividend at an initial planned rate of $550 million per quarter, share repurchase programs as appropriate and a disciplined approach to mergers and acquisitions.

MERGER WITH RAYTHEON

Following the spinoffs of Otis Worldwide and Carrier Group, United Technologies will merge with Raytheon. The merger will create Raytheon Technologies, a premier systems provider with advanced technologies to address rapidly growing segments within aerospace and defense. United Technologies will change its symbol from UTX to RTX and will continue to trade on the NYSE.

For each share held, Raytheon shareholders will receive 2.3348 shares of the merged company, which will represent 43% of the combined company, while United Technologies' investors will own 57% of the combined firm.

UNDER THE SPOTLIGHT

BERKSHIRE HATHAWAY (BRK-B -$206.34)
3555 Farnam Street, Omaha, Nebraska 68131

Berkshire Hathaway is a holding company owning subsidiaries engaged in a large number of diverse business activities. The most important of these are insurance businesses conducted on both a primary basis and a reinsurance basis, a railroad and a group of utility and energy generation and distribution businesses. Berkshire also owns and operates numerous other businesses engaged in a variety of activities from manufacturing industrial products, building products and consumer products along with service and retailing businesses.

Fiscal Year December	4-YR CAGR	2019	2018	2017	2016	2015
Sales (000,000)	6.2%	$254,616	$247,837	$239,933	$215,114	$200,441
Operating Income (000,000)	8.4%	$23,972	$24,781	$43,540	$17,574	$17,383
Operating EPS	8.7%	$14,752	$13,236	$26,468	$10,691	$10,580
Book Value	14.0%	$261,417	$212,503	$211,750	$171,542	$154,935
Op. Profit Margin		9.4%	10.0%	18.1%	8.2%	8.7%

RECORD INVESTMENT GAINS

Berkshire Hathaway reported the company's net worth during 2019 rose 22% with book value equal to $261,417 per Class A share as of 12/31/19. During the year, Berkshire reported record net earnings of $81.4 billion compared to $4.0 billion in the prior year period. New accounting rules in 2018 require Berkshire to include the changes in unrealized gains/losses of its stock investments in net income which resulted in a $57.4 billion gain in 2019 from investments and derivatives compared to a $17.7 billion loss in the prior year period. Berkshire's five major investment holdings represent 67% of total equities held, including American Express at $18.9 billion (up 30% in 2019), Apple at $73.7 billion (up 82% in 2019), Bank of America at $33.4 billion (up 48% in 2019), Coca-Cola at $22.1 billion (up 17% in 2019) and Wells Fargo at $18.6 billion (down 10% in 2019).

2019 OPERATING RESULTS

Berkshire's operating revenues increased 2.6% in 2019 to $254 billion with growth in all business segments except BNSF railroad which remained relatively flat. Operating earnings declined 3% during 2019 to $24 billion primarily due to lower insurance underwriting results. The float of the insurance operations approximated $129 billion as of 12/31/19, an increase of $6 billion during the year.

RECORD NET WORTH

Berkshire's balance sheet continues to reflect significant liquidity and a strong capital base of $424.8 billion as of 12/31/19, an increase of $76.1 billion since 2018, and unmatched in corporate America. Excluding railroad, energy and utility investments, Berkshire ended the year with $409 billion in investments allocated approximately 60.6% to equities, 4.6% to fixed-income investments, 4.3% to equity method investments and 30.5% in cash and equivalents. Berkshire's investments are heavily tilted toward equities, especially for an insurance company.

In the annual report, Buffett explains, "*If* something close to current rates should prevail over the coming decades and *if* corporate taxes also remain near the low level businesses now enjoy, it is almost certain that equities will over time perform far better than long-term, fixed-rate debt instruments. Occasionally, there will be major drops in the market, perhaps of 50% magnitude or even greater. But the combination of the American Tailwind and compounding wonders will make equities the much better long-term choice for the individual who does not use borrowed money and who can control his or her emotions."

SMART CAPITAL ALLOCATION

Berkshire Hathaway's financial strength allows Warrant Buffett to make significant investments and acquisitions, even though there was minimal activity during 2019. In 2019, Berkshire closed on a deal to invest a total of $10 billion in Occidental Petroleum Preferred Stock with an 8% dividend. In addition, about $1.7 billion was invested in bolt-on acquisitions.

Free cash flow was relatively unchanged for the year at $22.7 billion. In 2019, capital expenditures increased 10% to $16 billion, including $11 billion in the capital-intensive railroad, utilities and energy businesses. Reinvestment in productive operational assets will remain the company's top priority. During 2019, Berkshire sold or redeemed a net $17.6 million in Treasury Bills and fixed-income investments and bought a net $4.3 billion of equity securities.

Berkshire revised its buyback policy which now permits Berkshire to repurchase shares at prices below Berkshire's intrinsic value, as conservatively determined by Warren Buffett and Charlie Munger. During 2019, Berkshire repurchased about $5 billion of its common stock, representing about one percent of the company. These share repurchases included 953,070 Class B shares at an average price of $221.67 per share and 674 Class A shares at an average price of $333,298 per share during December 2019. We expect further share repurchases in 2020 as Berkshire Hathaway's stock currently appears undervalued. **Buy.**

UNDER THE SPOTLIGHT

GENUINE PARTS (GPC-$87.24)

2999 Wildwood Pkwy, Atlanta, GA 30339 www.genpt.com

Genuine Parts Company is a distributor of automotive replacement parts in the U.S., Canada, Europe, Mexico, Australasia, France, the U.K., Germany, Poland, the Netherlands and Belgium. The Company also distributes industrial replacement parts in the U.S., Canada, Mexico and Australasia through its Industrial Parts Group. S.P. Richards Company, the Business Products Group, distributes a variety of business products in the U.S.

Fiscal Year December	4-YR CAGR	2019*	2018	2017	2016	2015
Sales (000)	6.1%	$19,392,305	$18,735,073	$16,308,801	$15,339,713	$15,280,044
Net Income (000)	-3.1%	$621,085	$810,474	$616,757	$687,240	$705,672
EPS	-2.2%	$4.24	$5.50	$4.18	$4.59	$4.63
Dividend	5.5%	$3.05	$2.88	$2.70	$2.63	$2.46
Profit Margin		3.2%	4.3%	3.8%	4.5%	4.6%

*Includes restructuring and goodwill charges of $212,000 or $1.45 per share.

CONSISTENT GROWTH

Genuine Parts was founded by Carlyle Fraser in 1928 when Fraser bought a small auto parts store in Atlanta. With six employees and capital of $40,000, sales reached $75,000 the first year. After 92 years of steady progress, Genuine Parts' sales motored ahead to more than $19 billion this year.

With over half of the company's revenues coming from auto replacement parts, Genuine Parts boasts the largest auto parts network in the world. The company provides parts to thousands of National Auto Parts Association (NAPA) stores across the United States and Canada. The auto parts business has also expanded through acquisitions in Mexico, Australasia and most recently in Europe.

After selling only auto parts for almost 50 years, Genuine Parts diversified its product lines into other large and fragmented end-markets, including industrial replacement parts and office supplies in the 1970s and electrical materials in the 1990s. In 2019, the Automotive Group accounted for 57% of sales, the Industrial Group represented 34% of sales, the Office Products Group accounted for 9% of sales and the Electrical Group, which was divested in 2019 as part of GPC's ongoing portfolio optimization efforts, made up 3% of total sales.

A hallmark of Genuine Parts has been the company's consistent growth in sales, earnings and dividends. Sales have grown in 87 of the last 92 years while profits have risen in 75.

Genuine Parts has paid dividends to shareholders every year since going public in 1948. In February 2020, the company increased the dividend by 4% to an annual rate of $3.16, marking the 64th consecutive year of increased dividends, a record matched by few other companies. The dividend currently yields an attractive 3.6%.

SMART CAPITAL ALLOCATION

Management is committed to creating shareholder value through a disciplined capital allocation strategy. With the business generating robust free cash flow, priorities for cash are to reinvest in existing businesses, make acquisitions to spur future growth, steadily increase the dividend as they have done for more than six decades and repurchase shares. Over the last five years, the company has returned $2.9 billion to shareholders through dividends and share repurchases.

Genuine Parts targets acquisitions with returns on invested capital over 15%. Most of the acquisitions have been small bolt-on acquisitions for its various divisions, but in 2017, GPC made a $1.5 billion acquisition of U.K.-based Alliance Automotive Group which provided the vehicle to expand into Europe.

LONG-TERM GROWTH GOALS

Management aims to increase sales by 6%-8%, expand the operating margin, grow EPS by 7%-10%, generate solid cash flows and maintain a strong balance sheet. Genuine Parts is a ***HI***-quality firm with a long track record of consistent growth in sales, earnings and dividends, a disciplined capital allocation strategy and solid long-term growth goals which should power future value for investors hopping on for the ride. **We are adding to our position. Buy.**

SUBSCRIPTION INFORMATION

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Hendershot INVESTMENTS