CANALYST NEWSLETTER: EARNINGS SEASON REIMAGINED

In this edition, we show you how to make earnings season way more productive. Also, we focus our lens on The Cooper Companies, share our experience at Battlefin's Alternative Data Discovery Day NYC, and highlight how Ramp Capital LLC expertly used Canalyst models to compare two rivals and new IPOs: Uber and Lyft.

THE TOOLKIT: A BIG HIT

Last month, we proudly announced the launch of Canalyst's **Toolkit 2.0**, a suite of sophisticated tools designed to maximize time during earnings for our clients.

The Toolkit 2.0 — included in a Canalyst subscription — enhances our existing technology by expediting access to important earnings information and simplifying the process of performing trend data analysis, charting, and model customization.

Earnings season is typically known as a crazy busy time and, simultaneously, a ripe opportunity for investors who have accurate data to *act quickly* in order to increase alpha. Those who have lived through it understand the race for data to stay ahead of the pack.

It's time to reimagine earnings season with Canalyst:

(Note: Canalyst does not promote drinking in the office before market close.)

At Canalyst, we listened to our clients express their need for more time during earnings: more time to dedicate to in-depth analysis, more time to make sound investment decisions, more time for earnings calls, and more time to enjoy their life.

Those ideas led to our most remarkable function of the **Toolkit 2.0**, the *Updater Tool*. When a client adds customizations to their Canalyst model, they can click on the Updater Tool to download the latest Canalyst earnings results directly into that model. The function automatically merges the most recently reported operating statistics with a client's customized models, preserving existing formatting.

Supported customizations include:
+ Modified driver values in the forecast period
+ Adding new rows with custom data and calculations
+ Adding new worksheets with custom data and calculations
+ Re-driving calculations in the model

The *Updater Tool* also performs a comparison between the customized and updated models so that, at-a-glance, clients can clearly spot the difference between their forecasts and the reported results.

The *Quarter Grouping Tool* is another function in the **Toolkit 2.0** and converts the format of a Canalyst model in a single click. Clients can easily change the ordering and formatting of the columns in the model from QQQQYQQQQY to QQQQQQQQYY. Both the Quarter Grouping Tool and the Updater Tool work with our database of more than 4,000 North American equity models, maintaining the data integrity and breadth of coverage you expect from Canalyst.

"Canalyst's **Toolkit 2.0** allows me to customize my models how I want and need them, and then instantly updates them on a quarterly basis," said the founder of a recently launched fund who wishes to remain anonymous. "I don't need to pay someone to update models when Canalyst can serve that purpose for me at a fraction of the cost."

Using the **Toolkit 2.0** is a no-brainer for our clients, who gain a significant head start on their analysis amid the flurry of companies reporting during earnings season. The overall increased functionality empowers them to achieve higher-conviction investment idea generation and decision-making.

If you are already a Canalyst client and want to get the new features up and running before this month's earnings season, let us know at support@canalyst.com.

If you're not yet a client, and want to see the magic for yourself, contact us for a free demo.

KEEPING AN EYE ON THE COOPER COMPANIES

Canalyst prioritizes constantly improving our models, and providing the most comprehensive starting point for a deep dive on any specific name. To do this, we continuously review all company-provided information in order to make sure we capture any kind of routine-reported data.

While information in the company filings (8K, 10K, 10Q) are basic "table stakes" for kicking off financial analysis, we are increasingly able to capture data from investor decks and corporate presentations that help investors frame their thinking. One example of this is The Cooper Companies [NYSE: COO], a healthcare supplier of soft contact lenses. The stock has been a massive out-performer, up over 10x in the last decade.

We found that the company reported market share information, albeit sporadically, and that their above-market organic growth rate was based on their penetration rising from 18.8% in 2013 to 23.8% as of last quarter. Having the data behind this competitive positioning right in the model helps Canalyst clients decide whether these gains (and likely the stock's momentum as well) will continue or plateau.

The Cooper Companies, Inc.

Key Metrics - Soft Contact Lens Market Share Information (IP)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Q1-2019	Q2-2019
Toric lens manufacturing gross sales, mm				1,589	1,767	1,905		
Multifocal lens manufacturing gross sales, mm				505	642	693		
Sphere lens manufacturing gross sales, mm				5,127	5,621	6,062		
Soft contact lens market by type, mm				7,221	8,030	8,660		
EMEA manufacturing gross sales, mm				1,950	2,168	2,425		
Asia Pacific manufacturing gross sales, mm				2,094	2,409	2,598		
Americas manufacturing gross sales, mm				3,177	3,453	3,637		
Soft contact lens market by geography, mm				7,221	8,030	8,660		
CooperVision market share, %	18.8%	21.0%	21.8%	22.8%	23.3%	23.7%	23.4%	23.8%
Johnson and Johnson (Vistakon/Acuvue) market share, %				40.0%			41.0%	40.0%
Alcon (ciba vision) market share, %				24.0%			24.0%	24.0%
Bausch & Lomb market share, %				9.0%			8.0%	8.0%
Other market share, %				4.0%			4.0%	4.0%

BATTLEFIN NYC

On June 19 & 20, Canalyst made a splash in the alternative data waters by attending Battlefin's prestigious event at the Plaza Hotel in New York City. The conference brings together top artificial intelligence and alternative data providers to showcase the latest in new data sets being used to create alpha.

We were proud to be a sponsor and have the opportunity to talk to industry leaders about our product. Plus, our booth setup and Canalyst-branded yo-yos (paired with free lessons) were quite the conversation starter.

James Rife
Canalyst, Head of Equities

UBER VS. LYFT

On May 3, @RampCapitalLLC took a deep dive into hot – recent and rivaling – IPO names UBER and LYFT using Canalyst models as a foundation for analysis.

Specific KPIs were scrutinized: Revenue as a % of Bookings, %; and Booking Per Ride, $ Per Ride, and the uniformity of Canalyst models made the side by side comparisons quick and easy.

Take a look at his analysis, along with an offer for our IPO models for free, and see if you would have agreed that UBER was in for a bumpy ride: Read article.

Prior to founding Canalyst, James had 10 years' experience in equity research and portfolio management. He started his career in equity research with Fidelity Canada's investment team, covering sectors including Utilities, Forestry, Technology, and Energy from 2006 to 2010. After Fidelity, he took a role as Portfolio Manager at a Boston-based $1B long/short fund, rounding out his experience across most other sectors in the process.

James holds a Bachelor of Commerce from the University of British Columbia and is a recipient of a Leslie Wong Fellowship from UBC's Portfolio Management Foundation, and is a CFA Charterholder.

Interested in learning more about how you can uncover more investment opportunities with Canalyst financial models?
Request a demo.