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EP86 | Playing the plan: Mawer's U.S. equity portfolio

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Andrew Johnson: 00:40

Welcome back to the podcast! Hope everyone is doing well out there. Today we are joined by Colin Wong. Colin is a portfolio manager on our U.S. Equity portfolio, which we're going to spend some time talking about today.

Colin, I checked the records, and the last time that you were on the podcast was in 2019, so welcome back.

Colin Wong: 00:59

Thanks for having me back, Andrew.

Andrew Johnson: 01:00

I'd like to start things off by getting your thoughts on something that has come up in discussions with clients, as well as more generally—we're hearing comments in the news, coverage of markets, or companies in particular.

It has to do with the effects on demand that have been directly related to the pandemic. So, demand for products, services, for example. COVID has had such an extraordinary effect on economies and consumer behaviour. There are businesses that have seen demand pickup significantly. On the other hand, we've seen companies that have seen demand slow down, but perhaps could be poised for a bounce back.

What have you and the team observed with the portfolio, or any of the other businesses that you're looking at?

Colin Wong: 01:40

So Andrew, what we're seeing when we go down our portfolio is that probably every single company we own in the portfolio has either some type of pull-forward demand, or expect a pent-up demand due to COVID. And like you alluded to, COVID was such a significant event that much like many other big historic events, really impacts almost every business out there.

So, some examples of pull-forward demand would be…a clear example would be Amazon in the portfolio, whereby people were stuck at home, so they did more online shopping. Or Procter & Gamble. In the early days we all recall that toilet paper stockpiling that was happening. So, Procter & Gamble owns some of the most famous brand on that regard, so like Charmin, Bounty, and Puffs.

Colin Wong: **02:27** Another less obvious one would be Netflix—where people were stuck at home, so they watched more TV online.

So that's some examples of pull-forward demand. On the flip side, there [are] a number of companies now facing expected pent-up demand. The clearest example in our portfolio would be Bookings.com, which is an online travel booking agency, much like Expedia. The specific brand that they own is Booking and Priceline. And so, it's clear for us that travel has been down a lot with all the lockdowns. On the flip side, I'm sure a lot of listeners at home—as well as myself—is itching to go out to explore the world on a day that we're all vaccinated and things are reopened. So there's a big expected pent-up demand on the other side.

And some even have both! Which is the funny part.

03:16 Some examples that both have pent-up demand as well as pull-forward demand would be Comcast. Comcast owns a cable company where internet usage went up a lot during the COVID crisis, as people were stuck at home. On the flip side, they own a number of theme parks, which were closed because of the COVID crisis. And so, this is an example where they both have a pull-forward demand on the internet side, but a pent-up demand on the theme park side.

Perhaps more importantly to your question would be, well, what are we doing at Mawer? What are we doing on the U.S. Equity Fund, in terms of when facing this event? So, like many other macro event, we try to bring it down to the micro level. So, to understand the impact these events have on a company by company basis. We take a long-term approach at investing as the listener would already know; it is important to remember whether it is pent-up demand or pull forward demand it ultimately only impacts one to two years of a company's earnings, which is only a subset of the number of years we look at when we forecast within our discounted cashflow models. And even within the discounted cashflow model, valuation is only one part of four major factors we look at in making investment decisions.

	04:37	On top of that, there's a lot of uncertainty still ahead in terms of whether it was pent-up demand or pull-forward demand. So, our example Bookings...it's very likely that travel is going to be higher in 2022, than 2020. But what is less clear is by how much and for how long. No one can predict that probability. And so to make our problem even worse is that most stock markets in the Western world are very efficient. So, whenever new information comes up, it gets priced in fairly quickly. So, long story short: we don't take a macro view on whether there's pull-forward demand or pent-up demand, and we don't have a special view on how COVID might or might not play out. But what we do have a strong view on is, how those events are impacting the businesses that we own and how we think these businesses may or might not thrive over the long term.
Andrew Johnson:	**05:29**	Let's dive into the micro a little bit there—you mentioned Comcast as being one of those examples of a company that has seen both demand pulled forward in one aspect of the business, but also they've got demand slowing down with regards to their theme-parks side of their business. Whether it's Comcast or maybe another example in the portfolio, are there any examples that you can point to where you've changed your mind on a company, or you've adjusted the portfolio based on what's unfolded and what you've seen in terms of evidence, with regards to your investment thesis on companies throughout the past 12 to 14 months?
Colin Wong:	**06:02**	Certainly lots [has] happened in the past 12 months. And while a lot has happened, a lot [has] actually stayed the same. So, Comcast as an example...because they have such a wonderful business in the cable internet business, that is really a typical wealth-creating business that we look for. So, in good times, people have a bit more money to spend, to upgrade to a better internet plan. In bad times, they're stuck at home because not going out to a concert and restaurants, they're upgrading to a better internet plan. So, it's one of those businesses that [is] fairly resilient. These are the types of business we look for instead of trying to call whether, there'll be more reopening or less reopening. What we care about is resiliency at the end of the day—where a company will do well in a gamut of different events happening around the world.
Andrew Johnson:	**06:52**	Colin, what does the competitive landscape look like for a company like Comcast? Are their competitors facing the same issues that you just outlined?

Colin Wong: **07:00** Comcast and other cable companies in the U.S. face, in general, a pretty favourable competitive landscape. And the reason why that landscape is fairly favourable is because there's a limited number of players that have fiber to someone's home. So, if you think about laying down cables, going from the street to someone's home, it requires a lot of work. You need to get a lot of city permits as well as personal property permits in order to make that happen. Oftentimes when you build a new home, you would find one or maybe two operators like Comcast to have cables run into your house. And once that is set, that's it. It stays there for the duration of someone's home. There are periodical upgrades, but those are few and far in between. And so that really limits the number of choices that a consumer would have once those fibers are laid.

Andrew Johnson: **08:01** Talking about events affecting the entire world, another major topic that has been on the minds of many of our clients is inflation, or at least the potential for meaningful sustained inflation. And that's a big word with varying definitions. I think to do it justice here, we likely need to frame this in both the short term and the long term.

So, over the short term, we are likely to see inflation, just given the prospects of economies opening back up—keeping in mind that we're coming off a pretty low base. And then over the long term, I think people are trying to understand what the effects of easy monetary policy, the increased fiscal spending...all of that, is going to have on inflation going forward. Where are you seeing inflation, and what, if anything, are you doing?

Colin Wong: **08:43** So Andrew, like you alluded to, we're definitely seeing quite a bit of inflation on a bottom-up basis on a company-by-company basis. And very similar to our approach we just talked about just now on the COVID events, we try to boil these impacts—these macro impacts—down to the company basis. So, when I read through the earnings of the businesses that we own, or some of the businesses we follow closely, or management team[s] that we speak to, we're definitely seeing [and] most companies now would say—if not all companies we've spoken with have mentioned—that inflation [has] heated up in the U.S.

09:19 In terms of where are we seeing [this]? So, typical things that [have] been mentioned would be commodity prices. So, raw material like steel is up over 100% year over year. We're also hearing quite a bit of comments about labour shortages, where we've spoken with companies that are now offering signing bonuses or increasing minimum wage to attract new workers. Another big part of inflation would be freight costs. Truck load rates have gone up over 50% over the past year as well. And finally, COVID-related safety costs is also something that many of our businesses are seeing right now.

Andrew Johnson: **09:58** So, you see an inflation come through in a number of different levels, whether that's going to be transitory or more permanent in nature—what are you doing in the portfolio to guard against that or take advantage of it?

Colin Wong: **10:09** Like many other macro factors, the path ahead is very uncertain and probably unknowable. So we spend very little time trying to predict whether it is going to be sustained inflation or temporary inflation. But to your point, what we really care about is what happens to the businesses that we do own. So once again, we tried to take an approach of resiliency and that for us comes down to buying wealth-creating businesses run by excellent managers, trading at a discount in intrinsic value that will benefit no matter what event play[s] out.

I'll give you a few examples. Visa is one of our top holdings, and there's a good example on this front. So Visa, as we know—these credit cards a lot of us have in our wallets—the company takes a small fee every time we use the card, when we transact. And in most countries, there are probably two to four payment networks like Visa that operates, Visa being the biggest in the world.

11:09 It is very tough for another competitor to replicate Visa's network because to replicate their network would mean signing up thousands of local banks to issue these cards, and then signing on millions of merchants to accept these cards as form of payment, and then issuing billions of cards, literally billions of cards to end customers to use them.

So, the barriers to entry [are] is very high in this business. And all the while, you need to be able to keep the fraudsters at bay, while providing the services quickly and cheaply, like we know Visa to do. So management have navigated through various environment[s] over the past two decades very well, and have been stewards of capital. And then the stock is, while not cheap (the stock price is not cheap), it is still within our fair value range. But more attractively, it has significant downside protection while maintaining substantial upside potential.

12:09 So back to the topic on inflation—how does that relate to Visa? If inflation were to be sustained and much higher than the current level, Visa would actually naturally benefit from higher inflation because part of the fee that they charge is based on demand spent on the card. So they take a percentage cut of the amount spent on the consumer side. Another factor would be [an] excellent management team. With the strong execution that they've demonstrated that over the past two decades, it's very likely in the high inflation scenario, they'll be able to find efficiencies and automations that will drive down costs to maintain the margin and protect the margin. And finally, given the fact that they have such a strong business position, it will [be] very likely for them to be able to pass on any price increase in excess of inflation if necessary.

So Visa is a good example of a company that will be resilient, whether it will be sustained high inflation or back to a more muted inflation period, as we have seen over the past decade.

Andrew Johnson: 13:08 Yeah, I was going to say that's a pretty good illustration of an ideal type of business that we would like to hold in the portfolio that can navigate multiple different scenarios unfolding from an economic standpoint.

Speaking of inflation, in the minds of many, asset prices, or stock prices in this example, are inflated. And perhaps we're even in a bubble. So, I think just given the headlines and the price level of stock indices, maybe it's natural to assume that. You've done a great job so far bringing us back to the micro level. What are you seeing when you're trying to determine a range of fair value for our companies? And maybe just before you do that, can you briefly remind our listeners how we go about understanding fair value of a company more generally speaking? You alluded to it lightly earlier, but maybe just step us through what you do from a valuation process.

Colin Wong: 13:58 So when we look at what a company is worth, we use a probabilistic approach. So what that means is we don't believe there's a specific dollar amount that a company will be worth. We believe there's a range of outcome[s] that's possible depending on how the world plays out. And what we do to figure out this range would be, we do a very typical standard discounted cashflow model, like many in the industry do. But what we do on top of that is that we run Monte Carlo simulation on a number of many, many key factors within our discounted cashflow models to see what happens to the value of the company, if different events play out. So what if growth was higher? What if inflation was lower? Would the margin expand? Et cetera. And so this give us range of outcome[s] between value of what a company might be worth on the bad case scenario, all the way to a fantastic case scenario.

Colin Wong: 14:59 So, specifically when we talk about discounted intrinsic value, we're actually looking at two things. Number one, we would like to see a company to be trading on the bottom end of this fair value range that we generated. So that's number one. Number two, perhaps is even more important for us—it's actually finding a shape of the distribution that is attractive. And what that means [is], it means that these companies, by the virtue of having a strong business and excellent management team, give us substantial downside protection that when we buy it, even [when] the bad cases are playing out, we're going to get most of our capital back. While in the good case[s], we're going to have substantial upside.

So that's how we look at valuation in general for all of our holdings.

Andrew Johnson: 15:46 I have to imagine viewing the world probabilistically, as you just outlined, and then benefitting from hindsight and looking back on how things have unfolded, you realize just how much you can't know what's going to happen into the future. And so there has to be a level of humility that comes along with that.

Colin Wong: 16:04 That's right. The one thing we know is that we don't know everything [laughs].

Andrew Johnson: 16:09 That's a good thing to know! All right, so you walked us through the valuation process...what are you seeing out there today? When you look at the valuations of our companies and where they land on the fair value range that you just mentioned?

Colin Wong: **16:20** So back to your very original question, which was also a question I get all the time from some of our clients, "Hey, the S&P 500 is up so much over the past year. We must be in a bubble. Or, are we in a bubble?" So quite frankly, Andrew, the answer is, we don't know. And we don't spend much time on this front anyways. We, like [with] the other macro [concern] we mentioned previous[ly], we boil it down to the business level. So when we look at the individual companies we do own, and the individual companies we've tracked and follow closely, what we're seeing right now is that earnings of these companies are going up, and going up very quickly.

I'll quote a stat I recently read [in a] Wall Street Journal article, which is that 87% of U.S. companies have reported earnings that are above the earnings expectation from sell-side analysts.

Colin Wong: **17:15** That's actually the highest percentage of earnings beats since this measure has been adopted in 1994. Companies are beating earnings expectations more often, and we're seeing that even from the compan[ies] that we're looking at on [a] bottom-up basis. And then on the flip side, they're also beating by a pretty wide margin. So, by the same measure, the typical earnings surprise upside would be 3-4%. While in this latest quarter, we're seeing 23% above expectation the companies are coming in.

17:50 An example of that is our top holding within our portfolio, Alphabet. In their most recent quarter, they were able to grow their revenue by 34% and doubled their profit, which is actually pretty tremendous for a company of that scale. So having the index being up double digits is one thing; what we are most concerned about is, how does that stock price on a stock-by-stock basis, company-by-company basis, compare to what we think the company should be worth? [That] intrinsic value range that we spoke about.

Once again, in Alphabet's case, the stock price has gone up over 60% over the past year. And then on the flip side, earnings have doubled. So the company is certainly more valuable now than it was a year ago. And so the old adage is probably true: the price is what you pay and value is what you get.

Andrew Johnson: **18:46** So, certainly seeing stock prices rise, but it sounds to me as though at least a good percentage of that has been driven by the fundamentals that we're seeing reported in earnings as you just said. Let's talk a little bit more about Alphabet or Google. This is the largest holding in the portfolio. Why does it fit so well within our investment philosophy?

Colin Wong: **19:04** That's right. So Alphabet, their major asset is Google. As many of us are familiar with some of the products that Google provide[s]. So at the core, what Alphabet does is it develops awesome products that many of us use on a daily basis. And the company is able to do this by hiring some of the best and most innovative people around the world and developing a strong, innovative culture and allowing them to succeed.

So, many people know Google Search, but what people would be less familiar with is actually that they have nine different products. Google has nine different products [that] have over a billion users each. Some of these products would include Android, Chrome, Google Search, Google Map, Gmail, Google Photo, YouTube, the Play Store, and Google Drive. So even having one killer app that has over a billion users would be very impressive, but having nine highlights the ability that Alphabet has and the management of Alphabet has, to continue to innovate and drive growth over time.

Colin Wong: **20:11** With so many so successful products, the company is able to create [an] ecosystem where these products often compliment and strengthen one another. So Alphabet provides most of its products to the customer free of charge, and in return the company makes money by selling advertisement to those users. [The] management team there have an excellent track record in driving growth over time, especially highlighted in the recent earnings whereby their earnings actually double in a year time period.

So like I mentioned, the growth rate is very impressive in percentage terms, but I think it's important to put in perspective: the scale in which they're doing it at, which is in my opinion, the truly amazing part. In this latest quarter, Alphabet was able to grow their revenue by $14 billion year over year. So for perspective, if we analyze that, the growth in revenue alone, so not the total revenue, just the growth alone, equates to the total revenue of some of the biggest and most well-known companies out there like John Deere, Nike, Pfizer, Bank of America, and the much loved Tesla.

	21:24	So, a lot of good things are happening at Google, but we realize it's not without risks. These risks are definitely things that we monitor all the time and look [at] closely: management misallocating capital, potentially; regulatory risks—as we hear more antitrust monopoly type regulation coming down the pipe; new technology is still a risk, even though Google is quite dominant in what they do. But as we learned from the PC era, going into the mobile phone era, things can creep up pretty quickly. Also, other things include consumer preference—so if you prefer iPhone over an Android phone, or more people start doing that, that would be a problem for them; and global ad spend. At the core of it, they rely on advertisers to generate most of their revenue.
		So, all those are factors we continuously monitor on a regular basis to make sure things are going well. And so far so good on those fronts.
	22:20	And finally, I will be remiss if I don't talk about valuation as we just spoke about in quite a bit of depth. So valuation for Alphabet, it's actually in the middle of our fair value range, which doesn't sound all that impressive. But like we spoke about just now, the midpoint is only one of two factors we look at. The second factor will be the shape of the distribution. We're looking for strong downside protection with substantial upside potential, still. So Alphabet definitely fits the bill on that front.
		In terms of downside protection, given the fact that they have nine different very strong franchises, that's definitely well diversified. So the chance of one going bad is possible, but all nine going bad seems more unlikely. Management has continued to execute, so that helps us to navigate through the ever-changing role of tech. And also they have over $135 billion of cash on this balance sheet.
	23:20	All those [factors] we believe will give a substantial downside protection. And on the flip side, given the fact that they have the ability to create and scale so many different platforms and drive growth over a long period of time, gives us quite a bit of confidence that there is a lot of upside left. So that's a bit on Alphabet.
Andrew Johnson:	**23:39**	You mentioned antitrust is one of the risks. That's certainly been in a lot of headlines lately and is getting some scrutiny. Now, one part of me is [thinking]…the investment firm that owns a company like this, if they split up a company like Alphabet, from our perspective, I mean, we can own some of the individual businesses and still own them in the portfolio and still take advantage of the benefits that we get, economically speaking, from holding those companies and pass those onto our clients. However, how much of the benefit or the success of those individual companies is tied to the fact that they are on the same platform currently and benefitting from the same intellectual capital that you kind of mentioned?

Colin Wong: **24:14** So, certainly Alphabet has benefitted from being part of a larger group. If we think about the Android platform, the 9 billion user product I mentioned, a lot of them are grown from the Android platform. But on the flip side, I'm sure a lot of our iPhone users on the call here would also be using Google Maps or Gmail or watch videos on YouTube. I think it's an "an" rather than "or," so certainly they'll be better off sticking together.

And on the flip side, if they were forced to do various action[s] to either split up or decouple some of the products, they still have a gamut of wonderful businesses with a very strong culture with some of the most talented software engineers out there.

Andrew Johnson: **24:57** All right. That was a great overview of Alphabet. One other holding that I was curious to get your thoughts on is Dollar General, which is going from talking about the largest portfolio holding that we have to a relatively new name in the portfolio, and a very different business model than Google for example. Maybe explain what Dollar General does and then ultimately, how did it end up in the portfolio?

Colin Wong: **25:17** Dollar General is a dollar store mainly operating in rural areas in the U.S. So, for those Canadian listeners, it's akin to Dollarama in Canada. The concept of Dollar General is a little bit different from Dollarama because it's a concept that lays between a typical dollar store, which sells products for a dollar, and a convenience store. So even though this name is called Dollar General, less than a third of the sales comes from products that are priced a dollar and below. Most of the products that they're selling are actually above $1. So the company is a leading brand within the dollar store concept. And overall it only has a single digit market share in the U.S retail industry, so quite a bit of room to expand still. Management has done a very good job in maintaining and growing the business over the past two decades, coming up with new store concepts and as well as entering into new geographies where it's currently not saturated.

26:19 Risks wise, it's fairly manageable in our opinion: the top risk probably is e-commerce risks, so if people stop buying small items, the small-ticket items in physical stores and buying them online, that would hurt them. Another one would be cost inflation. So, a lot of their product being lower in price…it's susceptible to a lot of raw material-type cost inflation. Other risks includes saturation of their store concept or poor execution and merchandising within the four walls of the store. But on the flip side, the company is generally very stable and counter cyclical. That's because they're selling small price items. So, in tough economic times, customer often trade down and go buy things at the stores like Dollar General rather than a more expensive retail store. The valuation trading on the lower end of our fair value range, and also has that characteristic of downside protection and substantial upside. So that's a bit on what Dollar General is.

Andrew Johnson: **27:20** You did mention online competition as being one of the risks to their business. Outside of that, did they have any other direct competitors that would be in a position to take market share from them? Or is it spread across different business models? For example, you mentioned convenience stores as part of their business models. Would convenience stores be a direct competitor in that regard, or do they draw other customers in there that can help them smooth out those revenue streams?

Colin Wong: **27:44** Yes, I would definitely consider convenience stores, online retailers like Amazon, even Walmart—all of them—I would consider them as direct competitors. And the reason why that is, is like many other retail stores as we know, as a consumer, you can buy the same item in many different stores. If you want to get a t-shirt, you can get it from 20 different brands at least. So, we try to take a pretty wide scope in terms of defining competition. We don't want to define a business and this competitive set so narrowly that we completely miss the forest where the market is no longer there. So, it's kind of the old saying, "When [the] buggy was going out of favour, it was because of the automobile, not because people will stop riding horses." We don't want to get caught off-guard by setting our sight too narrowly.

Andrew Johnson: **28:31** So you've covered what Dollar General does, you framed it very nicely within our investment philosophy, how does a stock like Dollar General actually end up in the portfolio?

Colin Wong: **28:41** So, we initiated a position in this company this past March, 2021. In hindsight, it was actually wonderful timing. But like you mentioned, how did it come up with such wonderful timing? Was it luck?

28:52 What happened was we actually knew about this company for almost a decade. And more recently, we finished a deep-dive report a couple months before March that allowed us to move very quickly when we saw the opportunity come up back in March.

So, maybe I'll run you through a little bit of a journey of what happened in the past decade. So, roughly a decade ago, when we look back in our internal database—it's called M42—I actually put in the very first note roughly a decade ago about this company. And according to my note at the time ('cause I don't remember a decade ago), according to my note, at the time I wrote an article on how rapidly expanding the dollar store concept is in the U.S., and that there was still a very long runway for growth. And at the time we were kind of interested, but we had other opportunit[ies] that we thought were better at the time, so we passed up on this one.

Colin Wong: **29:45** And then zoom forward two years from that very first note: two of our colleagues, John and Paul, actually spoke with the management of Dollar General. And at the time, once again, decided to pass because there was some questions about industry consolidation between Family Dollar, Dollar General, and Dollar Tree. And then the year after that—so now we're up to roughly 2016 for those keeping track—Stanislav, a team member, joined U.S. team and came across the idea again individually on his own screening effort. So we did more work on the business again, but once again, we passed up on it, (which is pretty funny) because of tough competition, and also there was pretty substantial exposure to the U.S. food stamp program that we were uncomfortable with at the time.

30:35 In 2019, the company was once again flagged from a few different sources. And so we asked our team member Amit to do a deep dive due diligence and complete an initiation report on the company. So we narrowly pass on the investment again at that time. (For those of you counting, we're probably four times in passing on this investment.) At the time what we were worried about were market saturation as well as the stock valuation. And so that sat on the shelf for another one year or so after we did the deep dive initiation, until the beginning of 2021, where during our matrix meeting, we flagged this company as an opportunity once again.

We asked Amit to do a delta report, which is an update report on what's happening, and seeing if anything has changed or any of our thesis has changed on the business. So after we'd done that report, two months after that, the stock price corrected and we initiated a position because we thought a lot of risks that we're worried about have now dissipated.

31:40 So this is actually pretty common, what we do, to learn about the business, follow it over time, and escalating our knowledge over time as we follow it. So one can imagine after following it for a decade, our knowledge base on this business is a lot higher than if we came across it for the first time. And the other thing to note is that this investment actually touch[ed] at least six different members of our team. And there was a specific process and system in which we get engaged and disengaged in certain investments. And as we move a company through these processes, we escalate on our monitoring and knowledge as well as how frequently we check back in with these ideas. So none of this would be possible without the collective knowledge sharing, and we do that via various technology. So, M42 would be a database I mentioned earlier, as well as people. Our team [has] benefitted from the fact that people are very willing to share ideas, both verbally and written.

So as we've often said, we succeed as a team and not as an individual.

Andrew Johnson: 32:52 It also strikes me that there's real power in having this one single investment philosophy that we share across the entire research team and the entire approach to building portfolios. So whether a note in M42, as you highlighted, is 10 years old or 20 years old, there's a lot of trust from the individual reading that note, knowing that it's viewed in the same lens in which they're viewing how to build a portfolio today. And you just have to go ahead and update your knowledge and the competitive analysis and whatever the economic scenario is that's currently unfolding and factor that in. And then of course, do all the work on evaluation to update that, but viewing it in the same lens as someone 10 to 20 years ago has to build so much trust in a system like that.

Colin Wong: 33:36 That's correct Andrew. I think you hit on both of the important points in my opinion, which is number one, we have the same investment philosophy, which is looking for wealth-creating businesses, excellent managers, trading at a discount, intrinsic value. And that has been consistent ever since I've joined, and even before I joined. And the second aspect would be the trust element. We have a very high trust team whereby I believe it if I read something from another member that was written eight years ago, 10 years ago, that that person would have done a good amount of due diligence on whatever they written down. So both of those elements are very important for us to share knowledge over [a] multi-year multi people team.

Andrew Johnson: 34:20 Thanks, Colin. I think that's a great spot to wrap things up. I don't want to wait another two years to have you on again. So we'll try to shorten that timeframe between your visits with us. I really enjoyed this conversation and just wanted to thank you for taking the time to sit down with me and our listeners.

Colin Wong: 34:34 Thank you, Andrew.

Andrew Johnson: 34:35 Take care.