

# ModernGraham Valuation

Company Name:

C.H. Robinson  
Worldwide, Inc.



Company Ticker      CHRW

Date of Analysis

8/29/2016

## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$9,887,230,225	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.26	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	66.89%	Pass
6. Moderate PEmg Ratio	PEmg < 20	20.82	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	7.87	Fail

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.26	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.29	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.33
MG Growth Estimate	2.79%
<b>MG Value</b>	<b>\$46.96</b>
MG Value based on 3% Growth	\$48.34
MG Value based on 0% Growth	\$28.34
Market Implied Growth Rate	6.16%

### MG Opinion

Current Price	\$69.43
% of Intrinsic Value	147.84%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$1.45
Graham Number	\$26.65
PEmg	20.82
Current Ratio	1.26
PB Ratio	7.87
Current Dividend	\$1.67
Dividend Yield	2.41%
Number of Consecutive Years of Dividend Growth	20

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.57	Next Fiscal Year Estimate	\$3.33
Dec2015	\$3.51	Dec2015	\$3.18
Dec2014	\$3.05	Dec2014	\$2.96
Dec2013	\$2.65	Dec2013	\$2.84
Dec2012	\$3.67	Dec2012	\$2.81
Dec2011	\$2.62	Dec2011	\$2.32
Dec2010	\$2.33	Dec2010	\$2.11
Dec2009	\$2.13	Dec2009	\$1.92
Dec2008	\$2.08	Dec2008	\$1.70
Dec2007	\$1.86	Dec2007	\$1.41
Dec2006	\$1.53	Dec2006	\$1.09
Dec2005	\$1.16	Dec2005	\$0.82
Dec2004	\$0.79	Dec2004	\$0.62
Dec2003	\$0.62	Dec2003	\$0.51
Dec2002	\$0.52	Dec2002	\$0.44
Dec2001	\$0.47	Dec2001	\$0.37
Dec2000	\$0.41	Dec2000	\$0.31
Dec1999	\$0.32	<b>Balance Sheet Information 6/1/2016</b>	
Dec1998	\$0.26	Total Current Assets	\$1,879,102,000
Dec1997	\$0.17	Total Current Liabilities	\$1,491,457,000
Dec1996	\$0.21	Long-Term Debt	\$500,000,000
		Total Assets	\$3,349,070,000
		Intangible Assets	\$1,216,833,000
		Total Liabilities	\$2,086,230,000
		Shares Outstanding (Diluted Average)	143,216,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

## Recommended Reading:

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ModernGraham  
posts about the  
company

[C.H. Robinson Worldwide Inc. Analysis – 2015 Update \\$CHRW](#)  
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[C.H. Robinson Worldwide Inc. Annual Valuation – 2014 \\$CHRW](#)

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[Ryder System Inc Valuation – July 2016 \\$R](#)  
[Expeditors International of Washington Valuation – June 2016 \\$EXPD](#)  
[Expeditors International of Washington Valuation – January 2016 Update \\$EXPD](#)  
[FedEx Corp Valuation – November 2015 Update \\$FDX](#)  
[United Parcel Service Inc. Valuation – October 2015 Update \\$UPS](#)  
[Expeditors International of Washington Analysis – October 2015 Update \\$EXPD](#)  
[FedEx Corporation Analysis – August 2015 Update \\$FDX](#)  
[C.H. Robinson Worldwide Inc. Analysis – 2015 Update \\$CHRW](#)  
[Expeditors International of Washington Analysis – June 2015 Update \\$EXPD](#)