

ModernGraham Valuation

Company Name:

Company Ticker CHRW

Date of Analysis

4/10/2018

C.H. Robinson
Worldwide Inc



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	\$13,052,893,377	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
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	58.47%	Pass
5. Earnings Growth	PEmg < 20	25.47	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	9.33	Fail
7. Moderate Price to Assets			

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	1.43	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 Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.69
MG Growth Estimate	3.71%
MG Value	\$58.82
MG Value based on 3% Growth	\$53.57
MG Value based on 0% Growth	\$31.40
Market Implied Growth Rate	8.49%

MG Opinion

Current Price	\$94.12
% of Intrinsic Value	160.01%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$2.12
Graham Number	\$30.53
PEmg	25.47
Current Ratio	1.26
PB Ratio	9.33
Current Dividend	\$1.81
Dividend Yield	1.92%
Number of Consecutive Years of Dividend Growth	20

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.06	Next Fiscal Year Estimate	\$3.69
Dec2017	\$3.57	Dec2017	\$3.43
Dec2016	\$3.59	Dec2016	\$3.34
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	Balance Sheet Information 12/1/2017	
Dec2000	\$0.41	Total Current Assets	\$2,510,936,000
Dec1999	\$0.32	Total Current Liabilities	\$1,987,449,000
Dec1998	\$0.26	Long-Term Debt	\$750,000,000
		Total Assets	\$4,235,834,000
		Intangible Assets	\$1,427,401,000
		Total Liabilities	\$2,810,089,000
		Shares Outstanding (Diluted Average)	141,319,000





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:

Other ModernGraham posts about the company

- [C.H. Robinson Worldwide Inc. Analysis – 2015 Update \\$CHRW](#)
- [19 Companies in the Spotlight This Week – 7/26/14](#)
- [C.H. Robinson Worldwide Inc. Annual Valuation – 2014 \\$CHRW](#)

Other ModernGraham posts about related companies

- [FedEx Corp Valuation – April 2018 \\$FDX](#)
- [Expeditors International of Washington Inc Valuation – March 2018 \\$EXPD](#)
- [TFI International Inc Valuation – Initial Coverage \\$TSE:TFII](#)
- [Landstar System Inc Valuation – Initial Coverage \\$LSTR](#)
- [Kirby Corporation Valuation – Initial Coverage \\$KEX](#)
- [Knight Transportation Valuation – Initial Coverage \\$KNX](#)
- [United Parcel Service Inc Valuation – February 2017 \\$UPS](#)
- [SPS Commerce Inc Valuation – Initial Coverage \\$SPSC](#)
- [J B Hunt Transport Services Inc Valuation – Initial Coverage \\$JBHT](#)
- [Celadon Group Inc Valuation – Initial Coverage \\$CGI](#)