

Paradigm Shift – A Continuation

- Al E. Bavry



In the last article I mentioned the real Paradigm shift that is going on. The world, as we have known it, is changing before our eyes. And one, two, five years from now as we look back, we will comment on the huge changes (we're experiencing right now) that have been woven into the fabric of our businesses and our daily lives. So here goes on viewing these changes through a different camera angle.

To start, in my retirement (I'm busier than ever), one thing that I've gotten somewhat good at is being an "interactive investor" ...translated, in one of the Trusts Ann and I have, our Edward Jones agent and I work jointly on buying stocks, bonds, etc. Many of the decisions and choices we make are due to my own research. (A little humor...I'm getting just smart enough in this to make myself dangerous! LOL) In the process of investigating companies and their stock ratings, there are a few (in my opinion) that really stand out. Why?

I believe that as we work through this Paradigm Shift, certain companies will come out super thriving. One example I'll use that will go right to the heart of my thoughts on what's ahead of us...Simply said, the human, organic side of it...the faces that work for companies...the people! A "model" company for this organic side is Tractor Supply. The story about Tractor Supply hit my attention when a year ago, Hal Lawton, C.E.O. for Tractor Supply, did something unheard of...While the Covid-19 virus was quickly impacting and disrupting virtually everything in their daily lives, he announced a 53 million dollar "charge" to their P&L throughout the rest of 2020. These "additional" monies (expenses to their P&L) were allocated in multiple ways: Extraordinary bonuses paid to most associates, raises to all full-time employees, increasing the base line to fifteen dollars an hour, incentive pay for achieving certain goals...And more! He very openly recognized that what was fueling their huge growth success had everything to do with the great team they'd assembled--from top to bottom. And also, as they segued into this "New World," he recognized that the stresses of adapting to new systems, protocols, etc., was very hard on all associates! Hence, starting with Hal Lawton, Tractor Supply recognized what was their most important asset...their team...all their people! There's more...But I can tell you (as an analytical investor) that their stock has been continuing to grow and thrive. And they keep adding new locations around the country. I sincerely feel and believe the "model" they created, taking care of their most important asset (all their people), was the exact right thing to do. Not only is it paying dividends now...rewarding associates in real time for a job well done in extremely tough times...this model will serve them especially well as we enter full recovery and engage in this "new" world ahead of us.

What is your story, and what are your priorities? Are you surviving because of smart strategies? For being in the right place at the right time? Dumb luck? (Had to throw that in.) Just making the numbers work? Are you still standing 'cause others aren't? And you can argue that there's some truth to all of the above. But maybe when you look at *your* model, and why you are "still standing," it just might be those loyal folks that fight on the front lines are the biggest reason why you're still there. Keeping the "Green side up," if you will.

Good luck and good selling as we now emerge on the "other side." And I'll throw in an Al Bavry one-liner... "Build your model to be a THRIVER...not just a SURVIVOR!" By the way...Tractor Supply ended fiscal 2020 financially, structurally, etc., extremely strong and continuing to grow. Love that stock!!