# ALPHACHALLENGE 

November 30h, 2018
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## Stamps.com Inc (NASDAQ:STMP)

## Recommendation

BUY
Current Price
(11/16/2018)
\$153.57
Target Price
\$201
Target Return
31\%

| STMP Summary Data |  |  |
| :--- | :---: | ---: |
|  |  |  |
| Share Price (11/9/18) | 153.57 Total Revenue (\$MM) | 468.7 |
| $52-$ Wk Range | 152-285 Total Debt (\$MM) | 63 |
| Shares O/S (MM) | 18.3 Total Assets (\$MM) | 679.1 |
| Forward P/E | 15.0x Revenue Growth | $28.7 \%$ |
| EV/EBITDA | $12.2 \times$ ROIC | $42.8 \%$ |
| Mkt Cap (\$MM) | 2,788 ROE | $35.4 \%$ |
| Adj EBITDA (\$MM) | 230 EBITDA Margin | $39.5 \%$ |
| Adj EPS | 11.33 Days To Cover | 4.5 |

STMP - 52 Week Price Chart



## 

## Stamps.com Inc (NASDAQ:STMP)

Stamps.com provides convenient and cost effective services for mailing and shipping domestically or internationally through easy to use online software. Their clients include individual customers, small businesses and large corporations.

Revenue Streams

- USPS Mailing and Shipping Service
- Multi-Carrier Shipping Services
- Mailing \& Shipping Supplies Stores
- Integrated Insurance



## Competitive Landscape and Opportunities

Competitors include:

- Retail post offices
- Low Volume Shippers
- Other USPS Solutions
- eCommerce
- Single Carrier (UPS,FedEX)
- Other PC Solutions (Pitney Bowes SendPro)
U.S. Mailing Customer Base



## Bullish STMP Thesis



## Thesis 1: eCommerce Business Drives Growth

eCommerce market projected to grow ~16\% YoY:

- Shipping sales growth of $\sim 30 \%$ outpaces eCommerce growth

Increasing marketing spend with focus on acquiring highvolume Shipping customers:

- Shipping will represent >75\% of total revenues after
MetaPack acquisition vs. mid50\% last year
- Shipping customers pay higher fees and have a higher lifetime value than small business clients

Annual Average Monthly Revenue per Customer
(ARPU)


## Stamps.com Inc (NASDAQ:STMP)

## Thesis 1: eCommerce Business Drives Growth

STMP acquired MetaPack for \$230M cash
MetaPack is a SaaS solution with strong European presence catering to enterprise eCommerce and retail customers:

- Complements STMP's traditional focus on smaller business in the U.S.
- Gives STMP scale to support global eCommerce customers
- 10x increase in STMP's parcel carriers
- Removes negotiation and integration pains



## Stamps.com Inc (NASDAQ:STMP)

## Thesis 2: Regulatory Moat

- Regulatory barrier to entry
- Account for > 30\% of USPS Priority Mail
- Software enables customers to scale efficiently through automation features:
- Direct cart integration
- Increase fulfillment processing speeds
- Rate Comparison Engine
- Professional Product

|  | All Stamps.com | Other PC <br> Postage <br> Solutions | USPS eVS, |
| :--- | :---: | :---: | :---: |
|  | Solutions | ePage |  |$|$| Batch Label Printing | Yes | No | No |
| :--- | :---: | :---: | :---: |
| Major High Volume <br> Features | Over 75 | 0 | 0 |
| Parcel Carriers <br> Supported | Over 40 | 3 | 1 |
| USPS Mail Classes <br> Supported | 18 | 9 | 8 |
| USPS Mailpiece <br> Types Supported | 9 | 5 | 5 |
| Number of Unique <br> Integrations | Over 500 | 0 | 0 |
| Upfront Cost | $\$ 0$ | $\$ 0$ | Large |

## Stamps.com Inc (NASDAQ:STMP)

## Thesis 3a: Market Overreaction

STMP trades at a $\sim 46 \%$ discount from its 52-week high of \$285.75
The market has severely overreacted to recent news:

- Amazon announced plans for a delivery service on 2/9/18 and shares fell 6.3\% to \$168.15
- $\quad$ Shares fell >10\% on 6/21/18 to $\$ 251.85$ when gov't announced proposal to restructure USPS
- USPS renegotiation announcement on 8/8/18 caused shares to fall nearly $14 \%$ to $\$ 220$



## Stamps.com Inc (NASDAQ:STMP)

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## Thesis 3b: Track Record

Acquisition of MetaPack UnderAppreciated by the Market:

- MetaPack generated annual revenue of $\$ 42.1 \mathrm{M}$ prior to acquisition
- MetaPack's historical growth rate (low teens) will accelerate as it leverages STMP's large U.S. sales team and synergies are realized

Management and Conservative Estimates:

- Management under promises and over delivers
- Management has not yet fully quantified the potential MetaPack impact on earnings

| Period | Revenue <br> Surprise | EPS Surprise |
| :---: | ---: | ---: |
| Q3 2018 | $9.83 \%$ | $15.97 \%$ |
| Q2 2018 | $3.81 \%$ | $15.64 \%$ |
| Q1 2018 | $9.03 \%$ | $33.83 \%$ |
| Q4 2017 | $11.55 \%$ | $73.85 \%$ |
| Q3 2017 | $3.89 \%$ | $38.64 \%$ |
| Q2 2017 | $17.05 \%$ | $26.06 \%$ |
| Q1 2017 | $11.27 \%$ | $33.28 \%$ |
| Q4 2016 | $9.17 \%$ | $18.44 \%$ |
| Average | $\mathbf{9 . 4 5 \%}$ | $\mathbf{3 1 . 9 6 \%}$ |

## Stamps.com Inc (NASDAQ:STMP)

## DCF Analysis

| Cost of debt: |  |
| :--- | ---: |
| Cost of debt | $5.00 \%$ |
| Marginal tax rate | $25.00 \%$ |
| After-tax cost of |  |
| debt |  |
| Debt Weight | 2.75\% |
| Cost of equity: |  |
| Risk free rate | $3.19 \%$ |
| Beta | 0.94 |
| MRP | $6.80 \%$ |
| Cost of equity | $9.61 \%$ |
| Equity Weight | $97.97 \%$ |
|  | $\mathbf{9 . 4 9 \%}$ |
| WACC | $\mathbf{2 . 0 0 \%}$ |


| DCF Valuation |  |
| :--- | ---: |
| Discount Rate (WACC) | $9.49 \%$ |
| TV Growth Rate | $2.0 \%$ |
| PV of Terminal Value | $\$ 2,723$ |
| Sum of PV of CF | $\$ 949$ |
| Enterprise Value | $\$ 3,665$ |
| Equity Value | $\$ 3,680$ |
| Shares O/S (MM) | 18.3 |
| Est. Share Price | $\$ \mathbf{2 0 1}$ |


|  | 2018E | 2019 E | 2020 E | 2021 E | 2022 E |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Revenue | 581 | 695 | 799 | 902 | 995 |
| YOY Growth | $24 \%$ | $19.5 \%$ | $15 \%$ | $13 \%$ | $10 \%$ |
| EBITDA | 268 | 313 | 352 | 398 | 439 |
| EBITDA |  |  |  |  |  |
| Margin | $46.1 \%$ | $45.1 \%$ | $44.1 \%$ | $44.1 \%$ | $44.1 \%$ |
| Unlevered FCF | 193 | 223 | 251 | 283 | 313 |

## Stamps.com Inc (NASDAQ:STMP)

## ALPHACHALLENGE

## Scenario Analysis

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Bear Assumptions:

- Partnership with USPS deteriorates
- Increased competitions from new entrants
- Profitability per customer/client decreases
- 8.3\% Revenue CAGR 2017-2022
- 600bps EBITDA margin


| DCF Valuation |  |
| :---: | :---: |
| Case | Est. Price |
| Bear | $\$ 133$ |
| Base | $\$ 201$ |
| Bull | $\$ 240$ |



Bull Assumptions:

- Domestic market penetration acceleration
- Reduced margin contraction from increased synergies
- Further reduced churn rates and increased ARPU
- 20\% Revenue CAGR 20172022
- 300bps EBITDA margin

Bull Price
\$240

## Stamps.com Inc (NASDAQ:STMP)

## 

| Risks | Potential <br> Harm | Mitigation |
| :--- | :--- | :--- |
| USPS Initiative to <br> renegotiate the <br> exclusivity deal with <br> Stamps.com | High | Hostilities in Congress will prevent any materially new or adverse <br> agreement to be completed. |
| Stamps.com generates a large volume of business for USPS and could <br> pass costs to customer; constitutes 80\% of PC postage market, more <br> than 1/3 of all USPS priority mail packages and more than $1 / 2$ of all first- <br> class mail. |  |  |
| "Amazon Factor" and <br> Potential Market Entry |  | Amazon's new shipping business is in competition with parcel-heavy <br> delivery services (UPS, FedEx) and not the common Stamps.com user <br> and would have a minimal effect for revenues. |
| U.S. <br> leaving/renegotiating <br> the UPU and increasing <br> international shipping <br> charges | Amazon's growth expectations and requirements would not be fulfilled <br> by entering into Stamps.com market. |  |
|  | Loxtreme majority of Stamps.com business is not affected by <br> international shipping and vast amount of capable growth in U.S. still <br> possible. |  |
| Europe, where MetaPack is looking to grow business, is not the target <br> region for the new charges and most European goods' demand not <br> heavily affected by shipping charges and other nations still UPU <br> members. |  |  |

## Stamps.com Inc (NASDAQ:STMP)

Appendix

## Stamps.com Inc (NASDAQ:STMP)

## ALPHACHALLENGE

## Our Estimates VS Consensus

| \$ MM | 2018 Revenue | 2018 YOY Growth | 2019 Revenue | 2019 YOY Growth |
| :---: | :---: | :---: | :---: | :---: |
| Consensus Est. | 576.69 | $23.0 \%$ | 702.87 | $21.9 \%$ |
| Our Est. | 581.20 | $24.0 \%$ | 709.06 | $22.0 \%$ |
| Difference | 4.51 | 100 bps | 6.19 | 10 bps |

## Relative Valuation

| Comparables (\$MM in USD) |  | Office <br> Depot <br> ODP | Pitney Bowes Inc. PBI | FedEx Corporation FDX | UPS UPS | Paycom Software Inc PAYC | Paylocity Holding Co PTCY | Comprable Average | Stamps.com |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Ticker |  |  |  |  |  |  |  | STMP |
| Size/ Growth | Market Cap | 1,778 | 1,505 | 59,133 | 94,071 | 7,442 | 3,359 | 27,881 | 3,056 |
|  | Revenue | 11,025 | 3,529 | 68,595 | 72,214 | 560 | 415 | 26,056 | 581 |
|  | YOY Growth | 7.7\% | -0.6\% | 10.0\% | 9.6\% | 29.3\% | 24.4\% | 13.4\% | 24.0\% |
|  | EBITDA | 549 | 627 | 8927 | 9753 | 234 | 99 | 3,365 | 229 |
|  | P/E - FY1 | 9.7 | 6.9 | 13.1 | 15.1 | 48.7 | 44.7 | 23 | 15.2 |
|  | EV/EBITDA - FY1 | 4.7 | 6.3 | 8.3 | 11.5 | 31.6 | 33.1 | 16 | 11.7 |
| Margins/ Cap Intensity | Gross Margins | 23.4\% | 45.6\% | 26.9\% | 21.4\% | 86.3\% | 62.1\% | 44.3\% | 83.1\% |
|  | EBITDA Margins | 5.0\% | 17.8\% | 13.0\% | 13.5\% | 41.8\% | 23.8\% | 19.1\% | 39.5\% |
|  | Capex/Sales | 1.8\% | 6.0\% | 8.7\% | 7.9\% | 11.5\% | 8.6\% | 7.4\% | 1.5\% |
| Risk/ <br> Return | Net Debt/EBITDA | 1.5 | 3.9 | 1.6 | 1.9 | -0.2 | -0.9 | 1.3 | -0.9 |
|  | Short Interest | 4.7\% | 7.8\% | 1.6\% | 1.1\% | 7.4\% | 2.2\% | 4.1\% | 10.9\% |
|  | ROA | 4.6\% | 4.7\% | 6.5\% | 11.0\% | 4.0\% | 0.8\% | 5.3\% | 15.9\% |
|  | ROC | 7.9\% | 8.0\% | 9.8\% | 22.5\% | 30.9\% | 5.6\% | 14.1\% | 18.3\% |

## STMP Undervalued VS Competition

## ALPHACHALMENOME

## Stamps.com Inc (NASDAQ:STMP)

## Family of Brands

|  | stamp...sm | $\bigcirc$ endicia | ShipStationn | $T^{T} 7$ ShipWorks | $\begin{gathered} \text { shipoing } \\ \text { Reas } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Year Launched I Acquired | 1999 | 2000 / 2015 | 2010 / 2014 | 2001 / 2014 | 2012 /2016 |
| Parcel Carriers ${ }^{1}$ | USPS | USPS | Over 30 parcel carriers | Over 15 parcel carriers | Over 5 parcel carriers |
| Software Solution | Software and Web | Software and Web | Web Only | Software Only | Web Only |
| Third Party Software Integrations | Over 75 | Over 240 | Over 175 | Over 100 | Over 50 |
| Piece Types | Mail, Packages | Mail, Packages | Packages Only | Packages Only | Packages |
| Customer Targets | SOHO Mailers <br> Enterprise <br> E-Commerce <br> Shippers <br> High Volume Shippers | E-Commerce <br> Shippers <br> High Volume Shippers | E-Commerce Shippers | High Volume Shippers | E-Commerce Shippers |

## Stamps.com Inc (NASDAQ:STMP)

## 

## Stamps.com VS Postage Meter

| Category | Entry Level Meter | Stamps.com |
| :---: | :---: | :---: |
| Max. Print Speed | 18 letters/minute | At speed of printer |
| Monthly Fee <br> (rental plus 5 lbs. scale) | $\$ 19.99 /$ month $^{1}$ <br> (1-Year Auto Renew Lease) | $\$ 15.99 /$ month <br> (No Lease) |
|  <br> Labels | $\$ 16$ to $\$ 23^{2}$ | None |
| Estimated Monthly Total <br> Cost of Ownership | $\sim \$ 36$ to $\$ 53$ | $\$ 16$ |

[^0]
## Stamps.com Inc (NASDAQ:STMP)

## Individual/SOHO/Enterprise Mailer Segment



## Stamps.com Inc (NASDAQ:STMP)

## eCommerce Segment



## Stamps.com Inc (NASDAQ:STMP)

## 

## High Volume Shipping Segment



## Stamps.com Inc (NASDAQ:STMP)

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## Revenue Growth

## Annual Revenues <br> (\$Millions)



## Stamps.com Inc (NASDAQ:STMP)

## ALPHACHALC

## DCF Model

## Discounted Cash Flow Analysis for Stamps.com

Figures in thousands, except per share

|  | Historical year ending December 31, |  |  | Projected year ending December 31, |  |  |  |  | $\begin{gathered} \text { 2017-2022 } \\ \text { CAGR } \\ \hline \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |  |
| Sales | \$214.0 | \$364.3 | \$468.7 | \$581.2 | \$694.5 | \$798.7 | \$902.5 | \$995.1 | 16.2\% |
| Cost of goods sold | 43.9 | 63.0 | 79.2 | 98.2 | 117.4 | 135.0 | 152.6 | 168.2 |  |
| Gross Profit | 170.0 | 301.3 | 389.5 | 483.0 | 577.1 | 663.7 | 750.0 | 826.9 | 16.2\% |
| SG\&A | 87.4 | 126.9 | 159.6 | 215.0 | 263.9 | 311.5 | 352.0 | 388.1 |  |
| EBITDA | 82.6 | 174.4 | 229.9 | 267.9 | 313.2 | 352.2 | 398.0 | 438.8 | 13.8\% |
| EBITDA Margin | 38.6\% | 47.9\% | 49.1\% | 46.1\% | 45.1\% | 44.1\% | 44.1\% | 44.1\% |  |
| Less: Depreciation | (3.9) | (4.6) | (5.4) | (4.7) | (5.9) | (7.2) | (8.6) | (10.0) |  |
| Less: Amortization | (3.8) | (14.6) | (16.0) | (16.0) | (16.0) | (16.0) | (16.0) | (16.0) |  |
| Other Income (Expense) | 3.5 | 13.9 | 15.6 |  |  |  |  |  |  |
| EBIT | 78.8 | 169.7 | 224.5 | 247.7 | 291.8 | 329.5 | 373.9 | 413.3 | 13.0\% |
| Less: Taxes @ 25.0\% | (1.5) | (8.1) | (9.6) | (61.9) | (72.9) | (82.4) | (93.5) | (103.3) |  |
| Tax-effected EBIT | 77.4 | 161.5 | 214.9 | 185.8 | 218.8 | 247.1 | 280.4 | 310.0 | 7.6\% |
| Adjustments | 0.0 | 0.0 | (3.1) |  |  |  |  |  |  |
| Interset Expense | (0.3) | (3.2) | (3.3) | (4.0) | (4.8) | (5.5) | (6.3) | (6.9) |  |
| Net Income Adj | 77.1 | 158.3 | 208.5 | 181.8 | 214.0 | 241.5 | 274.1 | 303.0 |  |
| EPS Adj. | 4.43 | 8.70 | 11.33 | 9.94 | 11.71 | 13.21 | 14.99 | 16.58 |  |
| Plus: Depreciation and amortization | 7.7 | 19.2 | 21.4 | 20.7 | 21.9 | 23.2 | 24.6 | 26.0 |  |
| Less: Capital expenditures | (2.3) | (7.8) | (6.8) | (5.8) | (6.9) | (8.0) | (9.0) | (10.0) |  |
| Less: Additions to intangibles | (75.0) | 20.0 | (16.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |  |
| (Increase)/decrease in working capital | 35.8 | (52.6) | (26.5) | (8.2) | (10.8) | (11.4) | (12.5) | (12.7) |  |
| Unlevered Free Cash Flow | \$43.6 | \$140.2 | \$187.0 | \$192.5 | \$223.0 | \$250.9 | \$283.4 | \$313.3 | 10.9\% |

## Stamps.com Inc (NASDAQ:STMP)

## 

## Statement of Cash Flows

| Cash Flow (in \$MM) |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| For the Fiscal Period Ending | $\begin{array}{r} 12 \text { months } \\ \text { Dec-31- } \\ 2013 \end{array}$ | 12 months Dec-31-2014 | $\begin{array}{r} 12 \text { months } \\ \text { Dec-31- } \\ 2015 \end{array}$ | 12 months Dec-31-2016 | 12 months Dec-31-2017 |
| Net Income | 44.2 | 36.9 | (4.2) | 75.2 | 150.6 |
| Depreciation \& Amort. | 2.3 | 3.2 | 3.9 | 4.6 | 5.4 |
| Amort. of Goodwill and Intangibles | 0.2 | 1.6 | 3.8 | 14.6 | 16.0 |
| Depreciation \& Amort., Total | 2.5 | 4.8 | 7.7 | 19.2 | 21.4 |
| Other Amortization | - | - | 0.0 | 0.4 | 0.4 |
| (Gain) Loss From Sale Of Assets | - | - | - | 0.0 |  |
| Stock-Based Compensation | 4.5 | 4.8 | 15.9 | 33.9 | 40.8 |
| Tax Benefit from Stock Options | - | - | (0.6) | (26.8) |  |
| Other Operating Activities | (9.7) | (4.8) | 44.0 | 33.6 | 7.8 |
| Change in Acc. Receivable | (3.1) | 5.8 | (32.5) | (6.5) | (18.0) |
| Change in Acc. Payable | (0.7) | 6.6 | 16.1 | 20.1 | 15.9 |
| Change in Unearned Rev. | (0.1) | 0.2 | 0.8 | (0.2) | 0.0 |
| Change in Inc. Taxes | - | - | - | - | (22.3) |
| Change in Other Net Operating Assets | (1.9) | (2.7) | (1.1) | (0.9) | 1.2 |
| Cash from Ops. | 35.8 | 51.7 | 46.1 | 148.0 | 197.8 |
| Capital Expenditure | (5.3) | (2.9) | (2.3) | (7.8) | (6.8) |
| Cash Acquisitions | - | (70.0) | (214.2) | (56.0) |  |
| Divestitures | - | - | - | - | - |
| Invest. in Marketable \& Equity Securt. | (3.6) | 3.8 | 6.6 | 8.6 | 1.5 |
| Net (Inc.) Dec. in Loans Originated/Sol | - | - | - | - | - |
| Other Investing Activities | - | - | - | - | - |
| Cash from Investing | (8.9) | (69.1) | (209.9) | (55.2) | (5.3) |
| Short Term Debt Issued | - | - | 13.3 | 2.2 | 1.7 |
| Long-Term Debt Issued | - | - | 162.6 | - |  |
| Total Debt Issued | - | - | 175.9 | 2.2 | 1.7 |
| Short Term Debt Repaid | - | - | - | - | - |
| Long-Term Debt Repaid | - | - | (1.0) | (14.6) | (78.7) |
| Total Debt Repaid | - | - | (1.0) | (14.6) | (78.7) |
| Issuance of Common Stock | 14.5 | 4.6 | 12.4 | 15.2 | 66.1 |
| Repurchase of Common Stock | (4.3) | (12.9) | - | (80.6) | (134.6) |
| Total Dividends Paid | - | - | - | - | - |
| Special Dividend Paid | - | - | - | - | - |
| Other Financing Activities | - | - | 0.6 | 26.8 | - |
| Cash from Financing | 10.2 | (8.3) | 188.0 | (51.0) | (145.5) |
| Foreign Exchange Rate Adj. | - | - | - | - | - |
| Net Change in Cash | 37.1 | (25.7) | 24.2 | 41.8 | 47.0 |

## Stamps.com Inc (NASDAQ:STMP)

## 

## Balance Sheet

| Balance Sheet (\$MM) |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Balance Sheet as of: | $\begin{array}{r} \text { Dec-31- } \\ 2013 \end{array}$ | Dec-31-2014 | $\begin{array}{r} \text { Dec-31- } \\ 2015 \end{array}$ | Dec-31-2016 | $\begin{array}{r} \text { Dec-31- } \\ 2017 \end{array}$ |
| ASSETS |  |  |  |  |  |
| Cash And Equivalents | 66.7 | 40.9 | 65.1 | 106.9 | 153.9 |
| Short Term Investments | 6.5 | 6.5 | 8.6 | 1.5 |  |
| Total Cash \& ST Investments | 73.2 | 47.4 | 73.7 | 108.4 | 153.9 |
| Accounts Receivable | 17.5 | 12.3 | 55.1 | 62.8 | 80.8 |
| Other Receivables | - | - | - | - | 22.3 |
| Total Receivables | 17.5 | 12.3 | 55.1 | 62.8 | 103.1 |
| Inventory | 3.2 | 2.4 | 3.5 | 3.5 | 3.2 |
| Other Current Assets | 3.3 | 3.7 | 4.8 | 9.6 | 11.2 |
| Total Current Assets | 97.2 | 65.8 | 137.1 | 184.3 | 271.5 |
| Gross Property, Plant \& Equipment | 38.7 | 42.9 | 48.1 | 57.0 | 63.1 |
| Accumulated Depreciation | (9.0) | (12.5) | (16.4) | (20.2) | (25.6) |
| Net Property, Plant \& Equipment | 29.8 | 30.4 | 31.7 | 36.8 | 37.5 |
| Long-term Investments | 14.0 | 10.2 | 1.5 | - |  |
| Goodwill | - | 66.9 | 197.8 | 239.7 | 239.7 |
| Other Intangibles | 1.0 | 19.6 | 96.0 | 97.0 | 81.0 |
| Deferred Tax Assets, LT | 40.3 | 53.8 | 57.2 | 48.8 | 43.1 |
| Other Long-Term Assets | 4.8 | 8.0 | 7.3 | 3.5 | 6.3 |
| Total Assets | 187.1 | 254.7 | 528.6 | 610.1 | 679.1 |
| LIABILITIES |  |  |  |  |  |
| Accounts Payable | 2.0 | 2.2 | 0.5 | 1.0 | 1.0 |
| Accrued Exp. | 11.5 | 19.9 | 46.3 | 67.8 | 84.7 |
| Short-term Borrowings | - |  | 13.3 | 15.6 | 17.2 |
| Curr. Port. of LT Debt | - | - | 4.3 | 6.3 | 8.4 |
| Unearned Revenue, Current | 1.4 | 2.2 | 4.0 | 3.9 | 3.9 |
| Other Current Liabilities | 0.4 | 9.7 | 63.9 | 1.9 | 0.2 |
| Total Current Liabilities | 15.4 | 33.9 | 132.3 | 96.4 | 115.3 |
| Long-Term Debt | - | - | 157.4 | 141.0 | 60.6 |
| Def. Tax Liability, Non-Curr. | - | - | - | - |  |
| Other Non-Current Liabilities | - | 15.8 | - | - | 5.3 |
| Total Liabilities | 15.4 | 49.7 | 289.6 | 237.4 | 181.3 |
| Common Stock | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Additional Paid In Capital | 668.7 | 678.1 | 716.3 | 855.3 | 962.2 |
| Retained Earnings | (337.6) | (300.7) | (304.9) | (229.7) | (76.9) |
| Treasury Stock | (159.5) | (172.4) | (172.4) | (253.0) | (387.5) |
| Comprehensive Inc. and Other | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 |
| Total Common Equity | 171.8 | 205.0 | 239.0 | 372.7 | 497.8 |
| Total Equity | 171.8 | 205.0 | 239.0 | 372.7 | 497.8 |
| Total Liabilities And Equity | 187.1 | 254.7 | 528.6 | 610.1 | 679.1 |

## Stamps.com Inc (NASDAQ:STMP)

## Board Compensation

| Name | Title | 2017 <br> Compensation (\$) |
| :--- | :---: | ---: |
| McBride, Kenneth T. | Chairman \& CEO | $8,126,770$ |
| Huebner, Kyle K. | President | $4,667,893$ |
| Carberry, Jeffrey | Chief Financial Officer | $3,815,404$ |
| Clem, John | Chief Product \& Strategy <br> Officer and GM of MetaPack | $3,709,957$ |
| Buerba, Sebastian | Chief Marketing Officer | $3,709,726$ |

## Stamps.com Inc (NASDAQ:STMP)

## Top 10 Holders

Top 10 Holders

| Institutions/ Insiders | $\% 05$ | Position (000) Mkt Val (MM) |  |
| :--- | ---: | ---: | ---: |
| Total | 96.04 | $\mathbf{1 7 , 4 3 7}$ | $\mathbf{2 , 8 0 8}$ |
| BlackRock Fund Advisors | 12.36 | 2,244 | 361 |
| The Vanguard Group, Inc. | 9.23 | 1,676 | 270 |
| Fidelity Management \& Research Co. | 6.76 | 1,227 | 198 |
| ANANDA MOHAN P | 3.53 | 641 | 103 |
| SSgA Funds Management, Inc. | 3.05 | 553 | 89 |
| PAR Capital Management, Inc. | 2.27 | 412 | 66 |
| Conestoga Capital Advisors LLC | 2.11 | 383 | 62 |
| Renaissance Technologies LLC | 1.97 | 358 | 58 |
| Dimensional Fund Advisors LP | 1.72 | 312 | 50 |
| HHR Asset Management LLC | 1.68 | 304 | 49 |

## Stamps.com Inc (NASDAQ:STMP)

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## Sources Used

- Bloomberg
- S\&P Capital IQ
- Company SEC Filings
- Earnings Calls
- Company Investor Presentation


[^0]:    1 Entry level small business meter with an integrated scale
    2 Assumes monthly prints of 60 letters and 10 large envelopes per month; proprietary ink fees of $\$ .08-\$ .18$ per print; proprietary label fees of $\$ .25$ per label

