Watchdog Report ™

The new model for fiduciary analysis

# TM B

## **Key Facts** Business address: Richmond, Virginia, United States Industry: Tobacco Stemming and Redrying (NAICS 312210) SEC filer status: Large Accelerated Filer as of Jun 2020 Index member: S&P 600, Russell 2000 Market Cap: \$1.04b as of Oct 15, 2020 Annual revenue: \$1.91b as of Mar 31, 2020 **Corporate Governance** CEO: George C. Freeman III since 2008 CFO: Johan C. Kroner since 2018 1st level Board Chairman: George C. Freeman III since 2008 Audit Committee Chair: Michael T. Lawton 2nd level Auditor: Ernst & Young LLP since 1971 Outside Counsel (most recent): Troutman Sanders LLP (INACTIVE) 3rd level SEC Reviewer: (unknown) 4th level

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How to analyze this company's Watchdog Report? Skip to the last page

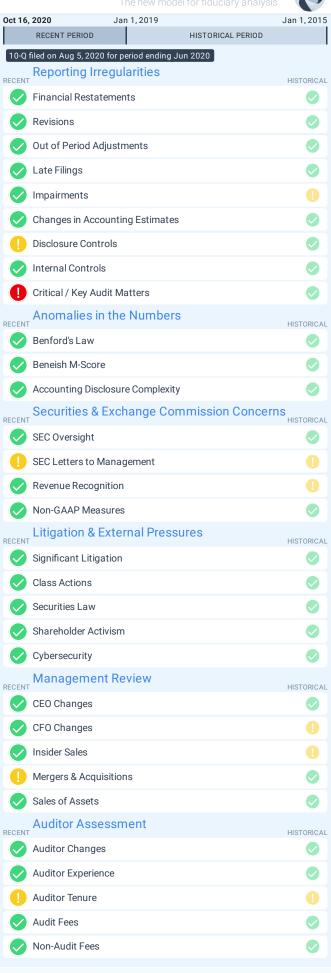
Information in this report is effective Oct 16, 2020 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 08/05/2020. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from <u>Audit Analytics</u>. Executive compensation data from <u>Shore Group and Intrinio</u>.

Data from <u>Sharadar</u>.

Data from Barchart via Quandl.

Data from Exchange Data International via Quandl



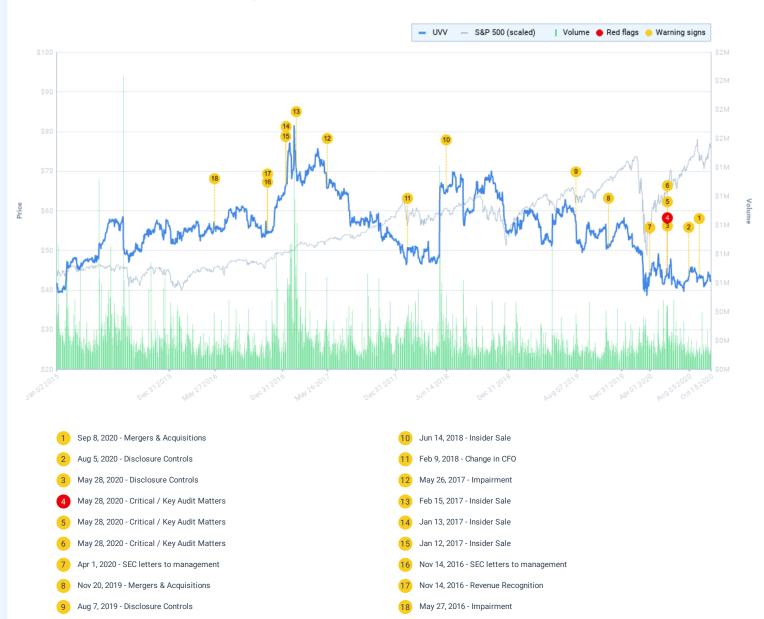


Overview Reporting Irregularities Anomalies in the Numbers SEC Concerns Litigation & External Pressures Management Review Auditor Assessment

#### **Overview**

## **Price and Volume History**

This graph shows the price and trading history for Universal. Warning signs and red flags are marked on the graph according to their disclosure dates.



#### **Notifications**

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

There are no notifications for Universal at least since 2015.



## **Peer Group**

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

### **Peer Group**

Company	Ticker	Market Cap
Darling Ingredients Inc.	DAR	\$7.07b
Ingredion Inc.	INGR	\$5.31b
Flowers Foods Inc.	FLO	\$5.28b
Lancaster Colony Corp.	LANC	\$4.77b
Seaboard Corp.	SEB	\$3.87b
Sanderson Farms Inc.	SAFM	\$2.72b
Treehouse Foods, Inc.	THS	\$2.24b
Cal-Maine Foods Inc.	CALM	\$1.86b
Fresh Del Monte Produce Inc.	FDP	\$1.18b
Universal Corp.	UVV	\$1.04b

## Companies Who Named Universal as a Peer

Company	Ticker	Market Cap
Scotts Miracle-Gro Co.	SMG	\$9.28b
Cal-Maine Foods Inc.	CALM	\$1.86b
Universal Corp.	UVV	\$1.04b
Pyxus International, Inc.	PYX	\$1.5m



## **Peer Flag Comparison**

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does Universal's accounting quality compare to its peer group?

**PEER GROUP FLAGS** 

2

1

6

5

#### Reporting Irregularities

Financial Restatements

Revisions

Out of Period Adjustments

Impairments

Changes in Accounting Estimates

Disclosure Controls

Internal Controls

Critical / Key Audit Matters

#### **Anomalies in the Numbers**

Benford's Law

Beneish M-Score

Accounting Disclosure Complexity

7		2
5	2	
6	2	1

UVV

9

7

8

3

4

2

9

#### **Securities & Exchange Commission Cond**

SEC Oversight

SEC Letters to Management

Revenue Recognition

Non-GAAP Measures

cerns			
	9		
!	2	7	
!	7	2	
	9		

## **Litigation & External Pressures**

Significant Litigation

Class Actions

Securities Law

Shareholder Activism

Cybersecurity

#### **Management Review**

**CEO Changes** 

**CFO Changes** 

**Insider Sales** 

Mergers & Acquisitions

Sales of Assets

#### **Auditor Assessment**

**Auditor Changes** 

**Auditor Experience** 

**Auditor Tenure** 

Audit Fees

Non-Audit Fees

UVV **PEERGROUP FLAGS** 

	2	1	6
<b>Ø</b>	4		5
<b>Ø</b>	6		3
<b>⊘</b>	8	1	
<b>Ø</b>	8	1	

	4	3	2
!	3	4	2
1	1	5	3
1	5	2	2
	9		

	9		
	8	1	
1	4	5	
	4	5	
	8	1	



#### About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

#### Our management team is:

CEO: Brian Lawe. Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

CTO: Radu Cugut. Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

Chief Content Officer: Joseph Burke, Ph.D. is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

Director of Research: John Cheffers. John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



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