Started in 1923 as an animation studio, it quickly became the leader in American animation with the first feature-length animated film in 1934, “Snow White and the Seven Drafts,” becoming the highest grossing film in 1934. Here we are today, some 70+ years later with Marvel’s Endgame breaking box office records and becoming the first movie to gross over 1.1 billion on premier opening. What is most impressive about Disney has been its ability to diversify into television, live-action film production, and theme parks.

**Television/Media** – Disney owns ESPN, ABC, Disney Channel, FX Networks, and National Geographic Network.

**Film Production/ Movie Rights** – Disney Studios, Marvel Studios, 20th Century Fox, Fox 2000, Fox Blue Sky Studios, Pixar Animation Studios, Searchlight Pictures, and Lucasfilms.

Currently, Disney has a content archive second to none. It is a leader in media and film production. A key part to Disney’s continued success will lie in its ability to market directly to consumers through a streaming service (Disney +), recently announced to debut in late 2019.

Given the depth of content, and new focus on streaming directly to consumers, our expectations are high for Disney. It now has the ability to compete with Netflix and Amazon Prime, and will be looking for Disney to become a leader in content streaming as well.

***The above report was sent out in May of 2019***

Since May of 2019 Disney stock has hit a high of over $200 and most recently a low under $80. The recent low of $80 a share is tough to ignore. Lately Disney has been struggling. Disney's commitment to sustainability and corporate responsibility aligns with the growing investor interest in companies that prioritize ESG (Environmental, Social, and Governance) principles, but has caused some tension with Florida politics. They are also facing a lot of turmoil in their media segment and have finally come to an agreement in its most recent fight with Charter Communications. The whole entertainment industry has been on strike with both the Writer Guld of America and the SAG-AFTRA.

Investors welcome the return of CEO Bod Iger. Management has a plan in place to pivot Disney+ and its bundle package to profitability. Unlike any other media companies, Disney has theme parks to provide additional value. Through September of this year, revenue at the parks grew 17% year over year to just under $25 billion and generated $7.6 billion in operating profits, up 20% year over year.