BUSINESS: Veeva Systems Inc. is a global provider of industry-specific cloud-based software solutions for the life sciences industry. The company’s solutions enable pharmaceutical and other life sciences companies to realize modern cloud-based architectures and mobile applications for business functions. Product solutions include Veeva CRM, Veeva Vault, and Veeva data and mobile applications for business functions. Product solutions include Veeva CRM, Veeva Vault, and Veeva data and mobile applications for business functions.

Veeva Systems’ financial performance continues to be quite good. Indeed, the provider of cloud-based software solutions to the life sciences industry saw its revenue and non-GAAP earnings progress 26% and 75% for the fiscal year that ended January 31st. And our current expectation is that good times are to continue for some time. On point, Veeva has been executing well, with growth proceeding nicely across all of its products and services. More specifically, business is likely to remain brisk in both Veeva Commercial Cloud and Veeva Vault, with CRM (customer relationship management) continuing to drive Commercial Cloud; strength across applications areas (R&D, quality, and clinical) should continue underpinning Veeva’s progress. As mentioned in previous reports, Veeva is becoming a larger factor in Veeva’s financial results, given that customer adoption continues to advance rapidly, which is seen as a positive for the longer term. Good growth prospects should remain in place for some time. The company’s focus on the life sciences industry provides it with a deep opportunity, in our view. It is no secret that the expense of drug development and approval is costly, and that prices for medications in the United States tend to get insurance companies’ and government regulators’ attention. Accordingly, the modern computer architecture that Veeva brings to the table is of interest to life sciences companies in bringing better efficiency to drug development, gaining better insight into market targeting during commercialization, and gaining a better understanding of regulatory requirements. Our sense is that these topics are likely to remain front and center at pharmaceutical companies in the years ahead, putting Veeva in a favorable position for further expansion.

What about Veeva stock? The shares have been on an upward move since mid-December, delivering a good return so far this year. On point, the stock continues to be a favorite for growth investors, given the company’s financial record and its history of increasing its outlook with its quarterly reports. That said, VEEV stock’s current valuation cannot be said to be a bargain, so new commitments are probably made by risk-tolerant subscribers.

Charles Clark
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