I would like to make people aware of a great investing tool that I have been using to speed up my analysis. The old school value (OSV) analysis software from oldschoolvalue.com, has cut my research time by easily 40%. The software has many great capabilities and I will discuss the ones that I use. It does have its limits though and I will mention those as well and tell you other great sources of information on the internet. I use OSV software to aggregate the last ten years of financial data, to do discounted cash-flow (DCF) analysis, to calculate liquidation value, and to compare competitors. Seth Klarman said in his book Margin of Safety that the only three valuation tools that he uses are DCF, multiples, and liquidation value. I tend to agree with Klarman and those are the metrics I stick with.

I like to look at the last 10 years of financial information when evaluating a stock. I look for consistent growth and to see how the company did in good times and bad. OSV quickly pulls all this info into excel for you. The data is generally correct but I always check it against MSN or the 10K’s to be sure. The only discrepancies that I have found tend to be with OTC stocks. The SEC database tends to be the only good source for this information. There is not a good tool on the internet to screen pink sheet/OTC stocks or to aggregate their financial data. If you know of one please tell me.

OSV software loads a DCF with historic financial information and you adjust the inputs. I use to spend hours manually entering this data. You can adjust, FCF, growth, discount rate, and multi stage growth based on your findings. It also provides a sensitivity analysis. Be sure that you understand his model. It is based on the F Wall Street, buy and hold method of valuation, described in the book by Joe Ponzio. I do not always use this method so it takes time to understand the model so that you can make adjustments accordingly. The software also preloads a net current asset value (NCAV) calculation. You can make assumptions regarding the value of assets, for example whether to value accounts receivable at 100% or to take a discount.

The last valuable function is competitor analysis. You can add competitor tickers and the loading is all done for you. You can find competitors in the 10K or at yahoo finance. I find this very useful when I am looking at industry multiples and competitor trends. To learn who is growing market share and what is happening in the space.
Old School Value Software Review

In summary this is a great tool if you do any or all of the aforementioned analysis when looking at a stock. It also calculates Ben Graham net nets, EPV, Altman Z score and Pitroski score. I hope this review will save you time as well. I would definitely give it a trial run.