

Anheuser-Busch InBev (BUD)

\$75.09 (As of 02/03/20)

Price Target (6-12 Months): **\$79.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 01/01/20)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM:D

Value: C

Growth: D

Momentum: D

Summary

Although shares of AB InBev lagged the industry in the past three months, its solid growth initiatives drive optimism. Its premiumization strategy is led by its High End Company and global brands portfolio, which have been delivering strong growth. Moreover, AB InBev is on track with smart affordability strategy, which is a category expansion framework that targets reaching new consumers and introducing beer to new occasions at affordable price points. Its solid brand performance and robust commercial plans are likely to aid top line. However, the company missed top and bottom line in third-quarter 2019. Earnings were marred by lower-than-usual sales growth, higher cost of sales per hl, and year-over-year phasing of sales and marketing investments. Further, adverse currency translations and commodity cost inflation remain concerns.

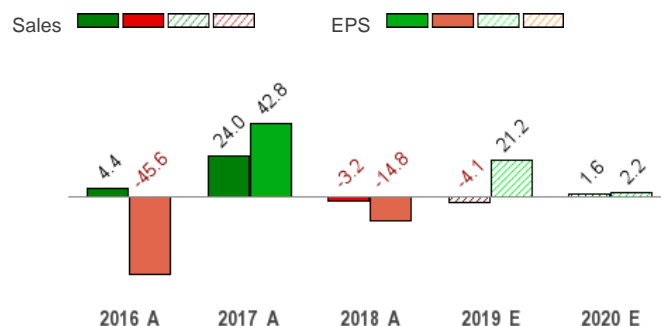
Price, Consensus & Surprise



Data Overview

52 Week High-Low	\$102.70 - \$73.57
20 Day Average Volume (sh)	1,024,001
Market Cap	\$122.6 B
YTD Price Change	-8.5%
Beta	1.22
Dividend / Div Yld	\$1.31 / 1.7%
Industry	Beverages - Alcohol
Zacks Industry Rank	Bottom 34% (167 out of 254)

Sales and EPS Growth Rates (Y/Y %)



Last EPS Surprise	-10.3%
Last Sales Surprise	-5.8%
EPS F1 Est- 4 week change	-0.5%
Expected Report Date	02/27/2020
Earnings ESP	0.0%
P/E TTM	16.5
P/E F1	17.6
PEG F1	2.0
P/S TTM	2.3

Sales Estimates (millions of \$)

	Q1	Q2	Q3	Q4	Annual*
2020					53,232 E
2019	12,589 A	13,963 A	13,172 A	13,373 E	52,404 E
2018	13,073 A	14,014 A	13,282 A	14,250 A	54,619 A

EPS Estimates

	Q1	Q2	Q3	Q4	Annual*
2020					\$4.26 E
2019	\$1.27 A	\$1.25 A	\$1.22 A	\$0.53 E	\$4.17 E
2018	\$0.73 A	\$1.10 A	\$0.82 A	\$0.80 A	\$3.44 A

*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 02/03/2020. The reports text is as of 02/04/2020.

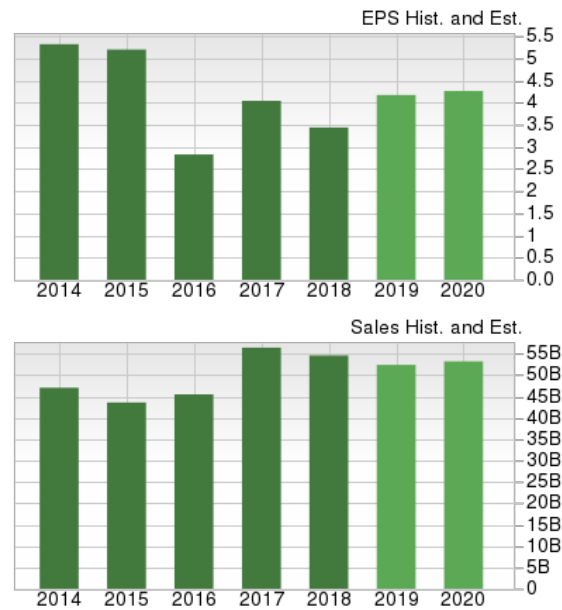
Overview

Founded in 1366 and based in Leuven, Belgium, Anheuser-Busch InBev, alias AB InBev, is one of the biggest brewing companies (by volume), also ranking among the top five consumer product firms. Following the acquisition of SABMiller in October 2016, the company holds the top spot in the beer industry, controlling about one-third of the global beer market.

The company's diverse portfolio of brands includes more than 500 brands. The company's robust kitty includes global brands Budweiser, Corona and Stella Artois; multi-country brands Beck's, Castle, Castle Lite, Hoegaarden and Leffe; and local names like Aguila, Antarctica, Bud Light, Brahma, Cass, Cristal, Harbin, Jupiler, Michelob Ultra, Modelo Especial, Quilmes, Victoria, Sedrin, and Skol. With its operations spread in North America, Latin America (North, South & West), Europe, Middle East and Africa (EMEA), Asia Pacific, AB InBev sells its beers in more than 150 countries.

The company has expanded immensely from its roots at the Den Hoorn brewery in Belgium to Anheuser & Co brewery in St. Louis, U.S., further expanding in South Africa with the creation of Castle Brewery, thereafter marking its first Brazilian brewery in Bohemia. Apart from this, the company bought all outstanding shares of Grupo Modelo in 2015, which is now a wholly-owned subsidiary of AB InBev, and acquired SABMiller in 2016.

Backed by the successful integration of SABMiller, the company simplified its geographic structure by shifting from nine management zones to six, effective from Jan 1, 2019. The new zones will be North America zone (unchanged), Middle Americas zone (comprising the current COPEC and Middle Americas zones and the BU Central America and Caribbean), South America zone (combining the current Latin America South zone and the BU Brazil), APAC zone (including the current Asia Pacific North and Asia Pacific South zones) and EMEA zone (reporting the combined results of Europe and Africa).



Reasons To Buy:

- ▲ **Premiumization Strategy:** AB InBev's premiumization strategy is led by its High End Company and global brands portfolio, both of which have been delivering strong growth. Notably, the company's three global brands — Budweiser, Corona and Stella Artois — delivered solid results in third-quarter 2019. Consolidated revenues for the brands improved 4.1% globally and 5.2% outside their respective home markets. Furthermore, the High End Company delivered revenue growth of nearly 13.5% outside of home markets. Revenue growth in global brands and the High End Company was ahead of the total company's growth of 2%. While sales for Budweiser and Stella Artois were flat outside of home markets in the quarter, Corona, the most premium global brand, sustained its growth momentum with revenues up 21.1% outside Mexico. Corona's revenue growth was backed by higher volumes in South Africa and Western Europe. Notably, AB InBev's strength in global brands reflects the company's potential to grow backed by improving trends in key markets and continued premiumization in the majority of its markets.
- AB InBev's smart affordability strategy is a category expansion framework that targets reaching new consumers and introducing beer to new occasions at affordable price points.
- ▲ **Smart Affordability Strategy:** Apart from the premiumization strategy, AB InBev is on track with smart affordability strategy, which is a category expansion framework that targets reaching new consumers and introducing beer to new occasions at affordable price points. This strategy is particularly relevant for the emerging markets where consumers have low disposable income, and therefore, affordability often restrains consumers from buying beers. As a part of this, the company has been expanding its portfolio to offer more accessible price points to consumers with initiatives like new packaging formats and new beers brewed with local crops. While these offerings call for incremental profits, these usually have a dilutive effect on net revenue per hectoliter. This strategy is already contributing to significant growth in major markets, including Brazil, Argentina, Colombia, Ecuador and South Africa.
- ▲ **Robust Outlook:** AB InBev's outlook for 2019 remains robust backed by expectations for strong top-line growth on solid brand performance and robust commercial plans. Driven by the smart affordability plan, it now expects revenue per hl to rise slightly below inflation. Nevertheless, the company expects a more balanced top-line growth between volume and revenue per hl. Moreover, total costs (sum of cost of sales per hl and SG&A) are expected to be below inflation.
- ▲ **Strong Brand Portfolio & Geographical Reach:** AB InBev boasts a robust brand portfolio and solid geographic reach. The company's combined brand portfolio with SABMiller includes more than 500 beer brands, including some of the most renowned beer brands worldwide, like Budweiser, Corona and Stella Artois. Further, the robust kitty includes seven of the top 10 global beer brands, with 18 brands generating over \$1 billion in retail sales. AB InBev remains focused on further solidifying the strong image and market position of these brands, to enhance relations with consumers. Moreover, it is on track with the roll out of no- and low-alcohol beers to provide greater choices to consumers. In fact, management expects the low and no-alcohol beer category to account for about 20% of its global beer volumes by 2025. With its operations spread in North America, Latin America (North, South & West), Europe, Middle East and Africa (EMEA), Asia Pacific, AB InBev sells its beers in more than 150 countries. All these factors have helped this Belgium-based company to carve an impressive niche, thus emerging as the strongest player in the beer space.
-

Reasons To Sell:

- ▼ **Soft Q3 Performance:** Shares of AB InBev have declined 5.1% in the past three months, wider than the industry's 1.9% decrease. AB InBev reported soft third-quarter 2019 results, wherein earnings and sales missed estimates. This marked an earnings miss, after beating estimates in the last reported quarter. Meanwhile, sales lagged estimates, after recording a beat in the prior three quarters. Earnings were mainly marred by lower-than-usual top-line growth, higher cost of sales per hl, and year-over-year phasing of sales and marketing investments. Notably, the company incurred higher sales and marketing investments in the first half of 2018 due to the FIFA World Cup Russia activation. This was followed by significantly lower sales and marketing investments in the second half of 2018, which has resulted in more difficult comparison in the second half of 2019. This is referred to as year-over-year phasing of sales and marketing investments.
- ▼ **Soft Volume:** In the third quarter, the company's total organic volume declined 0.5%, with a 0.9% decline in own-beer volume, while non-beer volume was up 4%. Lower volume resulted from volume declines in China and the United States mainly due to the impact of shipment phasing, partly offset by strength in Mexico, South Africa and Colombia markets. In China, volume declined 5.9% in the third quarter driven by shipment phasing into second-quarter 2019 ahead of activations, as well as softness in the nightlife channel. In the United States, volume declined due to 3.5% fall in sales-to-retailers (STRs) and 3.1% decline in sales-to-wholesalers (STWs). In North America (includes United States and Canada), total volume declined 3.3%, with own-beer volume down 3.4% driven by industry challenges across the region. Additionally, the company witnessed volume declines in South Korea and Brazil driven by the recently implemented price increases, coupled with soft consumer demand due to tough macroeconomic conditions.
- ▼ **Higher Costs & Adverse Currency:** While the company is gaining from improving trends in key markets and continued premiumization in the majority of its markets, adverse currency translations and commodity cost inflation continued to weigh on the bottom line. Higher commodity costs mainly relate to increased aluminum and barley prices. Consequently, cost of sales increased 5.7% and 6.9% organically in the third quarter. Further, organic cost of sales per hl grew 6.7%, driven by considerable increase in commodity costs and transactional currency woes. For 2019, the company projects cost of sales per hl to increase in a mid-single-digit as currency and commodity headwinds will be only partly offset by the cost management initiatives.
- ▼ **Soft EBITDA View:** In third-quarter 2019, AB InBev's normalized EBITDA declined 0.4% and remained flat on an organic basis. EBITDA margin contracted 90 basis points and declined 107 bps organically. The decline mainly resulted from higher cost of sales, and headwinds related to the phasing of sales and marketing investments. The company now expects moderate EBITDA growth for 2019 on incremental headwinds witnessed in the third quarter. It anticipates the headwinds to persist in the fourth quarter as well.

Soft volume in third-quarter 2019 resulted from declines in China and the United States mainly due to the impact of shipment phasing, offset by strength in Mexico, South Africa and Colombia markets.

Last Earnings Report

AB InBev Misses Earnings and Revenue Estimates in Q3

Anheuser-Busch InBev SA/NV, alias AB InBev, reported third-quarter 2019 results, wherein earnings and sales missed estimates. However, both metrics improved year over year. This marked an earnings miss, after beating estimates in the last reported quarter. Meanwhile, sales lagged estimates, after recording a beat in the preceding three quarters.

Q3 Highlights

Normalized earnings per share of \$1.22 grew 58.4% from 77 cents earned in the year-ago quarter. However, the bottom line missed the Zacks Consensus Estimate of \$1.36. Earnings were mainly marred by lower-than-usual top-line growth, higher cost of sales, and year-over-year phasing of sales and marketing investments.

Year-over-year phasing mainly stemmed from higher sales and marketing investments in the first half of 2018 due to the FIFA World Cup Russia activation. However, the company incurred lower sales and marketing investments in the second half of 2018. As a result, the company is witnessing more difficult comparison in the second half of 2019 compared with the second of last year.

Underlying earnings per share (normalized EPS, excluding mark-to-market gains related to the hedging of share-based payment programs and impact of hyperinflation) were 94 cents in third-quarter 2019, down 15.3% from \$1.11 in the year-ago quarter.

Revenues of \$13,172 million grew nearly 2% from the year-ago quarter but lagged the Zacks Consensus Estimate of \$13,980 million. The company registered organic revenue growth of 2.7% along with 3% increase in revenues per hectoliter (hl). Organic revenues benefited from the ongoing global premiumization and revenue management initiatives, offset by progress on its smart affordability strategy in some major markets.

Notably, the company is accelerating the smart affordability plan in markets with tough macro-economic conditions. Its initiatives under this plan call for lower revenue per hl but offer incremental profits.

Total organic volume declined 0.5%, with a 0.9% decline in own-beer volume, while non-beer volume was up 4%. The volume decline resulted from declines in China and the United States mainly due to the impact of shipment phasing. However, this was partly offset by strength in Mexico, South Africa and Colombia markets.

Consolidated revenues at the company's three global brands — Budweiser, Corona and Stella Artois — improved 4.1% globally and 5.2% outside their respective home markets. Further, its High End Company revenues rose about 13.5%. The improvement was mainly backed by the successful execution of the company's premiumization strategy.

The cost of sales increased 5.7% to \$5,140 million and 6.9% organically. Further, organic cost of sales per hl grew 6.7%, driven by considerable increase in commodity costs and transactional currency woes.

The company's normalized earnings before interest, taxes, depreciation and amortization (EBITDA) were \$5,291 million, which dipped nearly 0.4% year over year and was flat with the year-ago quarter's figure on an organic basis. EBITDA margin contracted 90 basis points (bps) to 40.2% and declined 107 bps organically. The decline mainly resulted from higher cost of sales, and headwinds related to the phasing of sales and marketing investments.

Outlook

For 2019, AB InBev anticipates delivering strong top-line growth, backed by solid brand performance and robust commercial plans. Driven by the smart affordability plan, it now expects revenue per hl to rise slightly below inflation. Nevertheless, the company expects to deliver balanced top-line growth between volume and revenue per hl. Moreover, total costs (sum of cost of sales per hl and SG&A) are expected to be below inflation.

Meanwhile, the company now expects moderate EBITDA growth for 2019 on incremental headwinds witnessed in the third quarter. It anticipates the headwinds to persist in the fourth quarter as well.

The company projects cost of sales per hl to increase in a mid-single digit, wherein currency and commodity headwinds are likely to be offset by cost-management initiatives.

Further, the company reiterated synergy and cost-saving guidance at \$3.2 billion, which was announced in August 2016, related to the SABMiller acquisition. Of this, nearly \$547 million was reported by SABMiller as of Mar 31, 2016, and about \$2,653 million was captured between Apr 1, 2016, and Sep 30, 2019.

For 2019, management anticipates normalized effective tax rate of 25-27%. Net capital expenditure is projected to be \$4-\$4.5 billion. AB InBev expects modest dividend growth for the near term due to increased importance of deleveraging. However, dividends are likely to grow gradually in the long term.

Quarter Ending **09/2019**

Report Date	Oct 25, 2019
Sales Surprise	-5.78%
EPS Surprise	-10.29%
Quarterly EPS	1.22
Annual EPS (TTM)	4.54

Recent News

AB InBev's Craft Brew Buyout to Boost Craft Beer Portfolio – Nov 11, 2019

Anheuser-Busch, alias AB InBev, remains keen on capitalizing on opportunities to expand in the craft beer space. In sync, the company has signed an agreement to buy the remaining stake of Craft Brew Alliance Inc., in which it already holds 31.2% interest. The merger deal, which is valued at \$321 million or \$16.50 per share, marks an extension of the partnership of more than 25 years between AB InBev and Craft Brew.

The companies expect to close the deal by 2020, after receipt of approval from Craft Brew's shareholders and the satisfaction of other regulatory conditions.

As part of an existing commercial pact, which dates back to 2016, AB InBev already distributes a broad range of Craft Brew's brands through its network of independent wholesalers. Additionally, the deal had an option for AB InBev to buy all stakes in Craft Brew for \$22 per share at the end of the first year of the deal, \$23.50 at the end of two years and \$24.50 at the end of three years.

However, in August 2019, AB InBev exercised its option to not buy the remaining stakes in Craft Brew for a one-time fee of \$20 million. Notably, AB InBev invested more than \$130 million in its craft partners in the last three years, which helped in expanding the latter's production volume by 31% on average.

Through the recent merger deal, AB InBev expects to strengthen its position in the highly competitive U.S. craft beer space, with Craft Brew's regional breweries and lifestyle brands. The company is likely to strengthen footing, with the addition of Craft Brew's leading brands like Kona Brewing, Widmer Brothers, Redhook and Appalachian Mountain Brewery to its portfolio.

These brands will join AB InBev's "Brewers Collective", which is its craft brewing unit that includes acquired brands like Goose Island Beer Co., Blue Point Brewing Company, Elysian Brewing Company, 10 Barrel Brewing Co. and others.

Further, the deal is in sync with AB InBev's strategy of investing heavily in the craft beer space, with various acquisitions and distribution agreements. Earlier in 2019, the company acquired Ohio-based craft brewery Platform Beer Co., which is also part of its Brewers Collective.

Valuation

Anheuser-Busch InBev shares are down 8.5% in the year-to-date period and 4.7% for the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Consumer Staples sector are down 5.1% and 1.1% in the year-to-date period, respectively. Over the past year, the Zacks sub-industry and the sector are up 1.7% and 10%, respectively.

The S&P 500 index is up 0.9% in the year-to-date period and 17.8% in the past year.

The stock is currently trading at 17.49X forward 12-month earnings, which compares to 23.2X for the Zacks sub-industry, 19.38X for the Zacks sector and 18.61X for the S&P 500 index.

Over the past five years, the stock has traded as high as 31.53X and as low as 13.45X, with a 5-year median of 21.45X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$79 price target reflects 18.4X forward 12-month earnings.

The table below shows summary valuation data for BUD

Valuation Multiples - BUD					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	17.49	23.2	19.38	18.61
	5-Year High	31.53	27.52	22.38	19.34
	5-Year Low	13.45	18.91	16.66	15.18
	5-Year Median	21.45	23.23	19.74	17.46
P/S F12M	Current	2.3	16.68	9.9	3.45
	5-Year High	4.81	20.67	11.13	3.45
	5-Year Low	1.95	14.42	8.09	2.54
	5-Year Median	3.28	17.58	9.88	3
EV/EBITDA TTM	Current	9.8	42.87	39.52	11.95
	5-Year High	16.82	53.59	45.13	12.85
	5-Year Low	9.3	33.75	31.57	8.49
	5-Year Median	14.23	43.18	38.5	10.66

As of 02/03/2020

Industry Analysis Zacks Industry Rank: Bottom 34% (167 out of 254)



Top Peers

Brown-Forman Corporation (BF.B)	Neutral
Craft Brew Alliance, Inc. (BREW)	Neutral
Carlsberg AS (CABGY)	Neutral
Diageo plc (DEO)	Neutral
Heineken NV (HEINY)	Neutral
The Boston Beer Company, Inc. (SAM)	Neutral
Constellation Brands Inc (STZ)	Neutral
Molson Coors Brewing Company (TAP)	Neutral

Industry Comparison Industry: Beverages - Alcohol				Industry Peers		
	BUD Neutral	X Industry	S&P 500	DEO Neutral	HEINY Neutral	TAP Neutral
VGM Score	D	-	-	C	B	B
Market Cap	122.63 B	9.25 B	23.66 B	104.25 B	62.69 B	12.18 B
# of Analysts	3	1.5	13	4	3	7
Dividend Yield	1.75%	0.00%	1.82%	2.59%	1.05%	4.05%
Value Score	C	-	-	D	C	A
Cash/Price	0.00	0.02	0.04	0.01	0.03	0.03
EV/EBITDA	5.58	9.52	13.87	16.94	NA	7.82
PEG Ratio	2.06	3.09	1.97	3.11	2.85	2.36
Price/Book (P/B)	1.57	2.50	3.24	8.76	3.43	0.91
Price/Cash Flow (P/CF)	11.50	15.75	13.40	22.78	12.89	6.20
P/E (F1)	17.94	22.81	18.48	22.87	20.80	14.16
Price/Sales (P/S)	2.27	2.29	2.60	NA	NA	0.94
Earnings Yield	5.67%	4.37%	5.40%	4.37%	4.81%	7.07%
Debt/Equity	NA	0.40	0.72	1.14	0.87	0.60
Cash Flow (\$/share)	6.53	1.90	6.92	7.04	4.22	9.08
Growth Score	D	-	-	A	A	C
Hist. EPS Growth (3-5 yrs)	-6.80%	7.35%	10.80%	NA	NA	5.82%
Proj. EPS Growth (F1/F0)	2.16%	8.09%	7.46%	3.85%	8.43%	-7.32%
Curr. Cash Flow Growth	-9.50%	4.60%	10.59%	-1.12%	12.24%	8.69%
Hist. Cash Flow Growth (3-5 yrs)	0.24%	4.63%	8.55%	-0.55%	4.17%	12.93%
Current Ratio	0.54	1.41	1.21	1.15	0.71	0.59
Debt/Capital	56.55%	29.41%	42.91%	53.21%	46.43%	37.54%
Net Margin	17.63%	7.96%	11.76%	NA	NA	1.19%
Return on Equity	23.92%	8.39%	17.24%	NA	NA	6.86%
Sales/Assets	0.46	0.52	0.55	NA	NA	0.44
Proj. Sales Growth (F1/F0)	1.58%	2.85%	4.22%	2.85%	5.00%	-0.71%
Momentum Score	D	-	-	C	F	C
Daily Price Chg	-0.28%	0.00%	0.67%	1.50%	0.20%	1.31%
1 Week Price Chg	-3.14%	-2.30%	-2.60%	-6.64%	-1.81%	-0.96%
4 Week Price Chg	-9.89%	-0.67%	-0.76%	-4.41%	-0.58%	3.08%
12 Week Price Chg	-4.60%	-2.33%	2.84%	0.33%	7.79%	5.63%
52 Week Price Chg	-3.00%	-2.80%	13.93%	4.86%	19.34%	-14.49%
20 Day Average Volume	1,024,001	15,398	1,915,782	348,692	35,931	1,476,387
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-2.10%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.54%	0.00%	0.00%	-2.68%	0.00%	-0.07%
(F1) EPS Est 12 week change	-3.91%	-1.29%	-0.13%	-1.54%	-2.61%	-0.07%
(Q1) EPS Est Mthly Chg	NA%	0.00%	0.00%	NA	NA	0.00%

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	D
Momentum Score	D
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

Disclosures

This report contains independent commentary to be used for informational purposes only. The analysts contributing to this report do not hold any shares of this stock. The analysts contributing to this report do not serve on the board of the company that issued this stock. The EPS and revenue forecasts are the Zacks Consensus estimates, unless indicated otherwise on the reports first page. Additionally, the analysts contributing to this report certify that the views expressed herein accurately reflect the analysts personal views as to the subject securities and issuers. ZIR certifies that no part of the analysts compensation was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst in the report.

Additional information on the securities mentioned in this report is available upon request. This report is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. Any opinions expressed herein are subject to change.

ZIR is not an investment advisor and the report should not be construed as advice designed to meet the particular investment needs of any investor. Prior to making any investment decision, you are advised to consult with your broker, investment advisor, or other appropriate tax or financial professional to determine the suitability of any investment. This report and others like it are published regularly and not in response to episodic market activity or events affecting the securities industry.

This report is not to be construed as an offer or the solicitation of an offer to buy or sell the securities herein mentioned. ZIR or its officers, employees or customers may have a position long or short in the securities mentioned and buy or sell the securities from time to time. ZIR is not a broker-dealer. ZIR may enter into arms-length agreements with broker-dealers to provide this research to their clients. Zacks and its staff are not involved in investment banking activities for the stock issuer covered in this report.

ZIR uses the following rating system for the securities it covers. **Outperform-** ZIR expects that the subject company will outperform the broader U.S. equities markets over the next six to twelve months. **Neutral-** ZIR expects that the company will perform in line with the broader U.S. equities markets over the next six to twelve months. **Underperform-** ZIR expects the company will underperform the broader U.S. equities markets over the next six to twelve months.

No part of this report can be reprinted, republished or transmitted electronically without the prior written authorization of ZIR.